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ABSTRACT

This document is a transcript of a Congressional hearing on the employment opportunities and problems of older Americans. During the hearing, representatives from various social service agencies, local government agencies, and senior citizen groups, along with some employers of older workers, testified about the problems that older persons have finding employment and about their needs for more income. Some of the issues raised in the testimony and prepared statements submitted by the witnesses included the disincentives that retirement plans and forced retirement create for older workers, the earnings test of Social Security that makes it less desirable for older persons to work, and the stereotypes many employers entertain in refusing to hire older workers. On the other hand, some employers who have hired older workers testified that the seniors make extremely reliable, dedicated, and able employees, and that they often surpass younger workers in knowledge and devotion to the job. Suggestions were made for legislation that would increase the age discrimination prohibition age, and provide financial incentives to private sector employers to hire older persons. (KC)

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ACTIVE OLDER AMERICANS AND OPPORTUNITIES FOR EMPLOYMENT

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HEARING

BEFORE THE

SUBCOMMITTEE ON
RETIREMENT INCOME AND EMPLOYMENT

OF THE

SELECT COMMITTEE ON AGING
HOUSE OF REPRESENTATIVES

NINETY-EIGHTH CONGRESS

FIRST SESSION

DECEMBER 1, 1983, REDDING, CALIF.

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ACTIVE OLDER AMERICANS AND OPPORTUNITIES FOR EMPLOYMENT

THURSDAY, DECEMBER 1, 1983

HOUSE OF REPRESENTATIVES,
SELECT COMMITTEE ON AGING,
SUBCOMMITTEE ON RETIREMENT INCOME AND EMPLOYMENT,
Redding, Calif.

The subcommittee met, pursuant to notice, at 9:45 a.m., in the Redding City Council Chambers, 1313 California Street, Redding, Calif., Hon. Edward R. Roybal (chairman of the committee) presiding.

Members present: Representatives Roybal, Shumway, and Chappie.

Staff present: Jorge Lambrinos, staff director, Select Committee on Aging; Nancy E. Hobbs, staff director, Subcommittee on Retirement Income and Employment; Chris Seeger, administrative assistant, and Jack Sieglock, field representative, Representative Shumway's staff; Howard Riddle, Gloria MacMurray, and Susan Davenport of area 2, Agency on Aging.

OPENING STATEMENT OF CHAIRMAN EDWARD R. ROYBAL

Mr. ROYBAL. The House Committee on Aging will now come to order. Ladies and gentlemen, it is indeed a pleasure for me to be here in Redding. This is the second time that I have visited Redding in the last 25 years. I am sorry that it has taken this long to get back.

I came into the room. I told my host that I liked the city and I want to come back and he said, you are welcome any time you want to come back. So I have now an invitation to come back and you can be sure that I will.

Ladies and gentlemen, we are in session this morning to hear testimony with regard to the necessity to add incentives to older American workers for the possibility of remaining in the work force.

I would like to, at this time, commend Congressman Norman D. Shumway for holding these hearings. He has been a key supporter of the title V senior community service employment program and has been an active participant in recent hearings that have been held with regard to the aging in Washington, D.C., and other parts of the country.

He visited my district just a few days ago and I am here now in this area hearing testimony on almost the same subject matter. We in the committee hear testimony on the various problems that effect the senior citizen community of the United States and Con-

gressman Norman D. Shumway has been most active in that regard. I commend him for the work that he is doing in the Congress of the United States and the tremendous interest that he has shown on behalf of senior citizens throughout the Nation.

Now this morning, as I have said, we will hear testimony from many older workers and other experts in the aging field. Recent employment statistics indicate that more and more older workers are being prematurely forced out of the labor force.

In addition, rapidly escalating numbers of older workers are being displaced and being laid off for longer periods. Many are becoming discouraged and are dropping out of the work force, all of this in spite of the fact that critical work is being left undone in virtually every community in the country.

It is a personal and national tragedy when we do not fully utilize our experienced older workers to remain in the work force. It is most essential that they do so as long as possible.

Presently a few excellent programs for older Americans do exist. The title V senior community service employment program has been one of the most successful Federal programs in existence.

This year it will provide job opportunities for over 54,000 older Americans but 54,000 is not enough. This has to be expanded throughout the country. The $17 million that was made available by the Congress in this last session for the entire country is only a drop in the bucket and is not sufficient to provide employment to the many senior citizens that really need it.

Now these programs under title V only meet a small part of the need and much more has to be accomplished, of course. This is some of the subject matter that we will be discussing today.

We will hear expert testimony from people who really know about these issues. We in the Congress are not experts. In fact, we are not experts in anything really, but we must get to the experts and have them bring important testimony to us. We have to make a decision, a final decision, and the help that we get from these experts is something that is greatly needed and greatly appreciated.

I am happy to see that these distinguished witnesses are ready now to testify but before they do so, I would like to recognize Congressman Shumway.

STATEMENT OF REPRESENTATIVE NORMAN D. SHUMWAY

Mr. SHUMWAY. Thank you, Mr. Chairman. I am delighted to be here today in the presence of so many friends and particularly my colleagues on either side of me. I have done a lot of boasting back in Washington and in Congress about the beauty of my 14th Congressional District in northern California and I have mentioned that to Congressman Roybal, among others. His district is in Los Angeles and I suppose he decided that he would come up and check it out today and see if I am really telling the truth.

I am satisfied, in spite of the rain outside, that he will go away very impressed that this is a beautiful part of the State and it is inhabited by some lovely, very interesting, and very interested people.

I am also delighted to be here today with my colleague Gene Chappie. I am sure he doesn't need any introduction to any of you.

Gene and I have the privilege of sharing the representation of Redding in Congress. Our districts touch just on the eastern side of the city and we have been able to work together on so many problems that effect all of Shasta County in California and other matters that are of interest to all of us.

Tomorrow we are going to be continuing our hearings in Roseville and in that particular hearing we are especially going to be talking about the Older Americans Act. The reauthorization is looming near and we will be taking very important testimony on that subject.

During the 5 years that I have been privileged to serve on the Committee on Aging in Congress we have delved into many of the areas of senior citizens activities. In the course of that experience it has occurred to me over and over again that senior citizens of America represent a growing block of talent and experience and, in many instances, that talent and experience is underutilized.

It seems to me that many seniors are in need of jobs because they need additional income. Others that have health problems and other critical needs need to have some employment opportunities available to them.

Other seniors that I am very much aware of need simply the activity of a job or employment experience would provide and that kind of activity prevents the depression and perhaps the shortened lives that otherwise might be the case for those seniors.

So we have been groping for answers, looking for ways to get seniors involved in more work activities. Again I recognize that this is a program that perhaps doesn't fit everyone but I know fits many people who are now in the category of senior citizen.

Today I wanted largely to hear—and particularly from this part of my district representing the rural viewpoint in most cases—questions, suggestions and advice on the subject of employment of seniors.

I would like to know why, if it is the case, why employment of seniors is an attractive potential for employers. If it is not attractive, I would like to know why. I would like to know how many people are indeed working, particularly in the rural setting as opposed to some of the cities in the State.

It would be interesting to me to know whether that work is full time, shared time, or part time, and what kind of jobs are being represented. I would like to know if there is satisfaction on the part of the employers as well as the working senior citizens growing out of that kind of experience.

I would like to delve into the question as to what incentives we might provide for more employment of senior citizens and whether those incentives should apply on the Federal level or the State level.

It is true on the Federal level we have the Age Discrimination in Employment Act which does rule out a great deal of the discrimination that we have seen in past years against hiring senior citizens, but obviously we need something more than that in the way of a positive inducement for employers to reach out and provide these opportunities for senior citizens.

In the past, when we have discussed this issue our efforts in Congress have largely been directed toward government provision for

jobs. We have put people to work under title V of the Older Americans Act. We provide programs like the Green Thumb program, the Job Training Partnership Act and there is no doubt about the fact that all those Federal efforts have provided some measure of relief.

Now we are going to be talking about reauthorizing the Older Americans Act, an act that I very much support, an act that has been indeed the cornerstone of government recognition of the needs of senior citizens.

But I think we would make a mistake if we believed that somehow the funds were going to be increased or that as the number of senior citizens increases in size, that there will be even more of a Federal role insofar as providing jobs is concerned.

As I see it, because of the serious fiscal restraints that we have to cope with in Washington there will be little or no expansion of many of these programs, including title V, so I think we make an error if we look to the Federal Government or some other layer of government for employment programs in the future.

My primary interest, therefore, is finding some way to stimulate the private sector. As the ranks of seniors increase we hope that jobs will be increased for them from the private side. I hope that the emphasis will be on that subject today and I hope that there will be a great deal of information provided to us that we can take back and use in our deliberations. All of you should realize that everything that is said here today and the statements that are submitted for the record will be available to the staff of this committee and will be available to other members. I am sure they will play a very important part as we make decisions on this subject in the future.

We do have many witnesses and in one respect I apologize for that. In another respect I think it is very good that many people are interested and want to speak to us, but, however, we will have to move fast.

There may not be the opportunity for the usual questions we would ask, but nevertheless I think it is going to be a very productive hearing and I very much appreciate the attendance of all of you.

Thank you, Mr. Chairman.

Mr. ROYBAL. Thank you, Mr. Shumway. The Chair now recognizes another friend of the senior citizen community of the United States, Congressman Chappie.

STATEMENT OF REPRESENTATIVE GENE CHAPPIE

Mr. CHAPPIE. Thank you, Mr. Chairman. It is truly an honor to, in effect, cohost the Select Committee on Aging here in the Second Congressional District and participate in these long-overdue hearings.

The efforts of this hearing to examine the labor market as it relates to older workers is certainly to be commended. It is high time that we address incorporating the expertise and experience of our senior citizens into today's sadly lagging productivity quotas.

In the face of the distressingly high unemployment here in northern California, I feel that it is our duty to match the invalu-

able resources of the elderly who are truly willing to share their time with appropriate and available jobs. I hope we can draw some conclusions here today about how we can best do just that.

I would like to make one further comment to illustrate the desperate need for more community awareness of what the older worker has to offer. My staff and friends out here in the district looked virtually high and low for a handful of employers with good track records in hiring senior citizens to testify before us today.

It is with regret—with great regret really—that I must say that generally speaking our recruitment efforts were unsuccessful. Hopefully, Mr. Chairman, we will arrive at some of the answers today so that we can improve that sad state of affairs, and I thank you.

Mr. ROYBAL. Thank you, Congressman. Ladies and gentlemen, I mentioned the fact a little while ago that our host was very gracious and he asked me to return.

May I say that the first contact that I had with Redding was many years ago during the time that I was a member of the Civilian Conservation Corps.

You probably remember that there was a CCC camp here in Redding and I had an encounter with a young man from Redding, and later came back to see the site where the camp was, and that was about 25 years ago.

This morning our host said, you are welcome back any time. I am going to return the courtesy and recognize him for any statement he wishes to make at this time.

Mr. RIDDLE. Thank you, Mr. Chairman. We have several housekeeping chores that I have to discuss before the hearing starts.

Mr. ROYBAL. Will you please proceed, Mr. Riddle?

Mr. RIDDLE. First of all I would like to introduce our staff, and that is Gloria MacMurray and Sue Davenport sitting right over here. They are from the area 2—our agency.

And we would like to thank Nancy Hobbs for the work between our agency and Nancy in setting this up. It has been—we are grateful for all the help we have received.

We do have some executive board members here, Jim Steinhaus, the chairman of our board. I see in the back John Strange, a supervisor from Shasta, and I see Steve Swendiman who has been on our board before.

We have some other supervisors such as Carl Parks, Leslie Chace, Dick Austin. I think that that is it at the present. Judy Johnson. I believe that would be the supervisors that are here.

We have the area III director here, Paul Martinson. Paul, would you stand up so people can see the area III director?

We also have the California Department of Aging director, Alice Gonzales, who will be the first witness.

And one last bit of housekeeping and that would be the nutrition center in Redding, the Shasta Senior Nutrition Program Center. We would like to know how many would be attending for lunch.

We do have to take a count and as I understand it there will be some buses and some vans to pick the people up. Is that correct, Sue? One van plus cars.

So if you could raise your hand, and Gloria and Sue will take a quick count so we will know how many will be at the center.

[Hands are raised.]

Raise your hands high so they can count because we do need to know. Thank you very much. With that I will turn it back over to the chair.

Mr. ROYBAL. Thank you, Mr. Riddle.

The first witness this morning will be Ms. Alice Gonzales who is the director of the California Department of Aging. The Chair now recognizes Ms. Gonzales.

STATEMENT OF ALICE GONZALES, DIRECTOR, CALIFORNIA DEPARTMENT OF AGING

Ms. GONZALES. Thank you, Chairman Roybal and Mr. Shumway, Mr. Chappie and of course Howard. It is with a great deal of pleasure, and pride, that I am here this morning. I am representing the Governor, the Governor's office, and the Secretary of Health and Welfare.

They apologize for not having been able to come here. I will relate to both the Governor and the Secretary of Health and Welfare your expressed issues and concerns that you have expressed here today and I am sure that they are with me in taking all of those concerns seriously and we will make recommendations, of course, to the committee on reauthorization, certainly, on employment.

I appreciate the time and the opportunity to share with you, the committee members, and with the audience my concerns on employment of older persons. As I have spent time across the State of California and in services to the older persons—the areas of greatest concern to most are health, self-sufficiency and their independence.

Most often they are concerned and speak to their self-sufficiency and independence in tandem with, if I was employed, or I would like to have that choice, and I believe that they should have that choice and that option.

To continue to be employed allows for that independence that they desire and I, too, believe in this. As you see I will soon be a senior and I intend to be employed for some time and I want to have that option.

Every older person should have that choice and I would do whatever I can to make that possible. So with that I would like to speak to some specific barriers that prohibit or interfere with the employment of older persons, both for full-time and part-time jobs.

Several of the barriers are very real. Some are merely well-entrenched myths often rooted in age discrimination and they inhibit full participation in the work force.

I will also discuss some corrective steps and incentives that will assist older workers to remain or to reenter the work force.

Older workers will agree that the continuing increase in the cost of living is the single largest factor in the need for employment. The Louis Harris & Associates survey found that more than 40 percent of the present retirees claimed that inflation had seriously reduced their standards of living. Current employees approaching retirement also feel the effects of inflation which limits their ability to save for retirement while increasing the level of income needed

to maintain preretirement consumption. Inflation in recent years has been more rapid with respect to necessities—food, housing, fuel, medical care in particular—which forms a large part of the expenditure pattern for the elderly than for most of the general population.

The social security earnings test is a major distinctive and disincentive to continued employment of the older workers who are eligible for social security benefits.

Modifying or eliminating the earnings test would be a strong incentive for older workers to choose to extend their worklives past the usual age of retirement. With the present law, older workers cannot afford to work more than part-time at a minimum wage without effecting their social security benefits.

It is said that marketable skills, or the lack of marketable skills, because of the changing labor force needs, is considered another barrier for nonemployment of older adults. According to a report prepared by the National Policy Center on Employment and Retirement at the Andrus Gerontology Center:

> Supervisors and managers often believe that older workers have less interest, are less motivated in learning new skills. Consequently, they may make career development and training opportunities less available for older workers.

We must launch an aggressive education and awareness program to explode those myths for both the older worker and the employer. We must develop meaningful demographic information to convince industry of older workers capabilities. The new Job Training Partnership Act program emphasizes that training must be in demand occupations. Employers must be receptive to training the older workers to insure equality in obtaining the jobs.

Integration of the older worker with the younger worker has been considered a barrier. Still I believe that it is just another myth and one that is not supported by younger workers. It is the belief that older workers displace or inhibit promotional opportunities for young workers. It has been my personal experience, having talked to younger workers, that they do not feel that way.

Several surveys and research projects have found that retention of older workers would have little impact on promotional opportunities for younger employees or equal employment opportunities for women and minorities. One survey in particular reported that 80 to 83 percent of the 18- to 39-year-olds surveyed strongly agreed that no one should be forced to retire if they wanted to continue working and were capable of doing the required work. Sixty-nine percent disagreed that older workers should retire to give younger people a better chance to the job market.

PART-TIME JOBS

Numerous surveys have indicated that older persons would prefer to work on a part-time basis prior to and after retirement. Yet employers are reluctant to create part-time jobs because of the added labor costs. These costs include payroll taxes subject to some fixed ceilings, fringe benefits, employee start-up costs and the fixed cost of hiring extra workers. Obviously there are disadvantages to part-time work from the employer's point of view.

However, there are advantages also, such as the use of part-time positions provides flexibility in managing workloads. can help reduce overtime costs, insure the retention of experienced and skilled older workers and combats managers' and supervisors' negative stereotypes of part-time work.

To make part-time work options available to older workers, it may be necessary to change personnel and pension benefit policies. Once part-time work options are available employers must insure that older workers are aware of the benefits of choosing part-time work in lieu of full-time retirement.

Labor unions and professional associations appear to be more concerned with employment, preserving full-time jobs and career interests of younger workers, maintaining adequate income for their members rather than promoting work options for older workers. Unions carry the responsibility of negotiating for their membership in a variety of areas—wages and salaries, environmental and task-related working conditions and pensions and benefit plans. The fact that they represent employees of all ages makes negotiations most complex. In a recent study union and association representatives were asked to rank in order the facts that might effect their attitudes toward alternative work options. The two main priorities were as follows: Preferences expressed by their membership and changes in economic conditions resulting in a reduction in the unemployment rate.

Discussing the alternative work options when the rate of unemployment is high and inflation is consistently a double-digit fact of life appears to be unrealistic. However, union members should begin now to prepare the groundwork for work options. Union representatives would have to respond to the preferences expressed by all their members.

CIVIL SERVICE RESTRICTIONS

A recent report prepared by the National Association of State Units on Aging identified personnel policies and practices which adversely effect older workers' employment opportunities in civil services. Those problems identified by the State units include State classification systems which are not structured to promote lateral entry into classified positions at middle and upper career levels; civil service exams which emphasize abstract knowledge and therefore favor younger job applicants with more recent academic experience; retirement systems which provide financial inducements for employees early retirement; personnel systems which do not allow work options which would attract older workers.

Concern over personnel policies and practices that were not responsive to the needs of older workers prompted the San Mateo County Interagency Committee on Aging to include in their comprehensive aging service plan for 1982 a recommendation to reexamine and rewrite county employment policies. Changes were made to facilitate senior employment within 6 months. A program design was developed for retraining older county employees within 6 months of the implementation of that plan. As a result of the comprehensive aging services plan, the county affirmative action

plan was revised to actively address the employment needs of older workers.

Personnel rules and regulations were changed to provide equal access to employment for older workers. Employees may now work part-time or job share without their pensions or other benefits being affected. A skills bank for retired county employees has been developed. I take a great deal of pride in having come from San Mateo County and being involved in that action and hope to encourage that in other counties.

DISCOURAGED OLDER WORKERS

Once unemployed, older workers stay unemployed nearly three times longer than younger workers. National research indicates that persons over 55 and above comprise almost a full 15 percent of the labor force. An even larger percent—27 percent—of those persons included by the Bureau of Labor Statistics are represented as discouraged workers who have given up the search for employment and are no longer in the employment statistics.

Older workers, by continued employment, can become greater economic and social assets to themselves and to our country. The following incentives for continued employment are suggested: no older individual should be refused employment if he or she is willing and able to work; the choice to defer retirement should continue as long as older workers are productive and wish to stay on the job. Public and private employment policies should support this option; labor unions should collectively bargain for broader work options for older members as well as for adequate and added retirement benefits; retirement and pension policies must be responsive to both the needs and the interests of older workers who want to stay on the job.

In California we are coordinating our resources to more effectively serve local agencies and communities as they strive to assist older Californians who need and want jobs. Public policy has responded by lifting the restrictive limits of a fixed retirement age. Now those older workers wishing to continue working may do so. We encourage further development of as many work options as possible in order to provide older Californians with the income and the employment opportunity they prefer.

Our office will be making recommendations to the community that we emphasize that preference be given to the older worker and, in particular, those who wish the opportunity to work in senior programs.

Thank you, Mr. Chairman.

Mr. ROYBAL. Ms. Gonzales, while you were speaking for the State administration, I have just one question that I would like to ask and that is with regard to the statement you made on page 4.

You say to make part-time options available to older workers it may be necessary to change personnel and pension benefit policies. Does the State of California—or is the State of California—now working on a change in personnel and pension benefit policies?

Ms. GONZALES. The bill was introduced by Assemblyman Jerry Falando. I can't recall the bill right at this moment, Mr. Chairman,

but there is a bill that allows us—particularly the Department of Aging—to make those options that are necessary for that.

Mr. ROYBAL. But is it my understanding that the bill has not passed yet in this session; is that correct?

Ms. GONZALES. That is correct.

Mr. ROYBAL. Is there any administrative effort being made to make an analysis of personnel and pension procedures within the State structure?

Ms. GONZALES. We have made some recommendations from the department and those recommendations, I think, have been in to the Department of Personnel Services some time over a year.

We have department goals that we addressed to part-time services procedures in particular.

Mr. ROYBAL. The reason I asked these questions is that I feel that both Government and the private sector have the responsibility of doing this. We of the committee do not advocate that all these jobs be made available solely by Government. That is not the intent at all.

We would like to encourage the private sector to participate as co-partners and make available many, many more positions than could possibly be made available by Government. But if the example is set by, let's say, the Federal Government and the State, I think perhaps the private sector would follow.

Ms. GONZALES. I have personally submitted proposed legislation to that effect for this coming session.

Mr. ROYBAL. Thank you, Ms. Gonzales.

Mr. Shumway.

Mr. SHUMWAY. Thank you, Mr. Chairman.

Ms. Gonzales, I appreciate once again your testimony and particularly the fact that you have touched upon some of the key problem areas and indeed you have given us four recommendations of what we might do.

One of the nagging questions we always have when we pursue this topic is, what should be the role of the Federal Government insofar as job opportunity creation is concerned, as opposed to that of the State government?

You are the primary spokesman on behalf of the State government, I would just like to ask, those areas that you have highlighted in your testimony as well as the four recommendations you have made, are you giving us those ideas because you believe they are within the Federal framework of resolution or do you feel that it should be a shared responsibility for pursuing any of those?

Ms. GONZALES. I would share that responsibility and certainly would encourage through the AAA that they work toward those goals at the local level.

Mr. SHUMWAY. Aside, then, from Assemblyman Fulando's bill on pension reform, are there other efforts underway in the State that would address some of these areas? Particularly, are there efforts that we might look at as an example of what we should be doing in the Federal Government?

Ms. GONZALES. I think there are some examples on shared jobs, the retention of retired workers in a skills bank who will and can come back as an employee for a short period on a special project 2 or 3 months at a time where it does not effect their pension.

I suspect that changing the social security or making some changes in that would take some time, but there is a possibility that those persons can use their skills on a short-term basis in shared positions.

Mr. SHUMWAY. I am sure we all would appreciate whatever leadership you can give to us, both at the Federal level as well as State level to resolve some of these problems and I appreciate your testimony today. Thank you.

Mr. ROYBAL. Mr. Chappie.

Mr. CHAPPIE. I have no questions, thank you.

Mr. ROYBAL. Mr. Riddle, do you have any questions?

Mr. RIDDLE. No questions, thank you.

Mr. ROYBAL. Ms. Gonzales, I would like to thank you for your testimony and you can be sure that your recommendations will be taken into consideration.

Ladies and gentlemen, we have 32 witnesses made up into eight panels. Quite obviously we cannot give all the time that is necessary to each one of the witnesses. It is my understanding that it will be necessary now to invoke a 5-minute rule.

This is a rule that we have to abide by in the House of Representatives. The Senate does not have a 5-minute rule, it is applicable only in the House. So we are going to invoke, then, the 5-minute rule and ask each one of the witnesses in each of the panels to submit their entire testimony. It will appear in the record as though it had been read word by word and ask them to summarize in no more than 5 minutes.

There will be a little bell rung at the end of 5 minutes indicating that the time has expired. The members of this panel will also abide by the 5-minute rule. None of us will go beyond 5 minutes in asking any questions and we will try to hold it to even less than 5 minutes. It would be advantageous if we could do that.

Now let's see if the Members of Congress can set the example on this 5-minute rule. Yesterday I made available time to the general population under the 1-minute rule of the House and they really complied with the 1-minute rule, which is something that I don't see in the House of Representatives.

But to go on, I would like to recognize on panel No. 1, which is made up of Barnes, Siciliano-Kutchins, and Hoover. Would you please come forward and take your appropriate seats and we will ask Ms. Barnes to start the testimony.

STATEMENT OF JOANN BARNES, PERSONNEL DIRECTOR, MERCY MEDICAL CENTER, REDDING, CALIF.

Ms. BARNES. I would like you to know that I have timed this twice and hopefully I will get it in under the bell. My name is Jo Barnes. I have served for the last 4 years as the personnel director at Mercy Medical Center here in Redding.

I would like to express my gratitude to Chairman Roybal, Congressman Shumway, and the members of the committee for the opportunity to testify at this hearing as to Mercy's experience with older workers.

Mercy Medical Center in Redding is a fully licensed and accredited not-for-profit 200-bed acute care hospital sponsored by the Sisters of Mercy of Auburn, Calif.

The Sisters of Mercy of Auburn came from Ireland to California at the time of the gold rush to care for and respond to the needs of the miners and their families in San Francisco and Sacromaneto, always with the strategy of their founder, Catherine McAuley, which was to arouse the interest, mercy, and compassion of people of good will and to organize these people to respond to the needs of the poor, sick, and uneducated.

Out of these early beginnings has developed a major health care system in northern California sponsored by the sisters, of which Mercy Redding is part. We also operate a subsidiary corporation, the Shasta Senior Nutrition Program, which provides food and transportation to approximately 500 older citizens in our community daily.

We are the second largest employer in the area with 829 employees. Ninety-six of these employees are over the age of 55 and 157 are over age 50. Our oldest employee currently is 74 years of age and a completely delightful person that we are glad to have still working with us.

We hire without regard to age, have no mandatory retirement age whatsoever and the pension plan participants who elect to continue working full time or part time beyond age 65 continue to earn retirement credit under our plan, thus providing for a larger benefit when they decide to retire.

We currently have six people ranging in age from 62 to 74 who are drawing pension plan benefits and also employed by us on a supplemental basis. This allows them the opportunity to work at their convenience and remain active and allow us to benefit greatly from their skills and experience.

It has been my conclusion as a personnel director for over 10 years that the older worker on the whole frequently establishes performance, attendance and safety histories superior to those of the younger colleagues. Our nursing director tells me that she feels that the older worker brings a loving touch to patient care and is remarkably dependable, possibly due to a strong work ethic, in her view.

In thinking about her work ethic remark, one of our medical records employees came to my mind, a clerical employee. This is a 61-year-old woman who reentered the work force, joined us 6 years ago, age 55. Her boss, our medical records director, has an understandably high regard for her, a former registered nurse, who not only has a fine work record, but who has had a perfect attendance record for the last 5 years. She is also an active member of the hospital guild and has contributed 4,200 unpaid volunteer hours to that effort while holding a full-time job as well.

When I asked her about her background in developing this testimony, she gave me the facts I have told you and then modestly said, well, personally, Jo, I enjoy what I do. It is a real advantage to have a sense of continuing contribution.

Speaking of dependability, one of our nurses retired last year at age 70 after 24 years of dedicated service. This little, warmhearted lady loved attending all the hospital social functions, enjoyed them

thoroughly and, in fact, she still does. What I didn't know about her until retirement was that she had never learned to drive, so all those years of commuting to work, picnics, games, dances, and other events always involved, for her, arranging rides to and from because we had no public transportation here during those years. This lady's determination and work record embodied to me the strength of so many older workers who manage very capably under what we might consider a handicap or inconvenience.

In conclusion, Mercy Medical Center has enjoyed a positive experience with older workers and fully intends to continue doing so in the future. We would strongly encourage other employers to benefit from the establishment of employment and retention policies which will remove barriers to employment. We encourage full participation of older citizens in the work force, not just to comply with the law but to enrich the work force with all the skills, knowledge and dependability and experience that older workers bring to it. Thank you.

Mr. ROYBAL. Thank you, Ms. Barnes. The Chair now recognizes Ms. Regina Kutchins.

STATEMENT OF REGINA SICILIANO-KUTCHINS, DIRECTOR, GREEN THUMB, CALIFORNIA UNIT, PETALUMA, CALIF.

Ms. SICILIANO-KUTCHINS. Thank you, Mr. Chairman, Mr. Shumway, Mr. Chappie. I am Regina Siciliano-Kutchins. I direct the Green Thumb program in California. I am delighted to hear today all the positive comments that the distinguished Members of Congress have said about the title V program.

I would like to give them an opportunity to see some of the people that they are talking about. If I could have the Green Thumb workers in the audience just stand very briefly I would appreciate it.

Thank you, thank you very much. The diversity of the Green Thumb enrollees present here today at the invitation of the committee, help to substantiate the comments that I am going to make in the few minutes allowed me. I believe that we are doing the older workers a disservice when we lump them into one category, referring to them as, "older workers".

I think it is time to assess each worker individually. That is what Green Thumb does. We evaluate the needs of our enrollees prior to placing them in a work assignment in a manner that enhances the community and allows them to expand on their own capabilities.

We have been doing that for 18 years nationally and for 12 years in California and hopefully we will continue to do it for many more years.

Just recently, Green Thumb has been given the opportunity by the Department of Labor to set aside a portion of our funds to develop training opportunities within private industry. We find this a very exciting concept. I think this type of partnership is where we have to place our emphasis in the future with government taking a leadership role to provide incentives for employers to hire older workers.

But we can only do that if we can demonstrate to employers that older workers are good for business. After all, private employers do

not have the same motives for employment as government. Hopefully, there is a degree of altruism in government not found in private industry.

The private sector is in business to make money and we have to demonstrate, and I believe that we can demonstrate, through Green Thumb and other public financed programs, the contribution—the very positive contribution—that older workers can make.

Ms. Barnes pointed out the fact that older workers have a better record of coming to work on time. I think that the more that we can show that this type of positive attribute is still available to them in older workers, the more incentive we will give private employers to hire older workers.

With this special set-aside money, Green Thumb has created a very exciting health care training program which has already been very successful in one county in California. The program is designed to work cooperatively with private home health care providers. To train older workers to work in the field of home health care and we are expanding that program.

By March 1984 we will have an additional 125 trained home health care aides actually out in the field working in private industry. I hope that title V and other publicly funded programs can continue to expand this type of partnership in the years ahead.

I would just like to comment additionally that we employ 54,000 people—older workers—nationally under title V and as Mr. Roybal, Mr. Shumway, and Mr. Chappie know, this is just a small portion of the number of older workers in need of employment.

The development of this type of partnership will allow us to make new inroads to meet this growing need to find jobs for older workers. Thank you.

[The prepared statement of Ms. Siciliano-Kutchins follows:]

PREPARED STATEMENT OF REGINA SICILIANO-KUTCHINS, DIRECTOR GREEN THUMB, CALIFORNIA UNIT

Mr. Chairman: I am Regina Siciliano-Kutchins, Director of the California Unit of the Green Thumb Program, 401 Seventh Street, Petaluma, California 94952. Green Thumb, Inc. is a nationwide Senior Community Service Employment Program under Title V of the Older Americans Act sponsored by the National Farmers Union and funded through the Department of Labor. We appreciate the opportunity to disucss with you the question of the continued participation of the elderly in the work force and in the mainstream of the community and to address the question of incentives for this continued participation.

Green Thumb has accumulated a great deal of experience in the field of employing older workers. Over 50,000 seniors have been employed by the program since it started in 1965. Nationally we presently employ over 18,000 workers and in California approximately 500. We recognize the psychological and noneconomic benefits of work as well as the significance of the paycheck for the men and women we employ whose incomes are no more than and are usually well below the Federal poverty guidelines.

Our enrollees are all rural seniors 55 or over, two-thirds are women, many divorced or widowed. A combination—rural, aged, women dependent on Social Security payments—which makes them the most likely candidates to be living in poverty. Furthermore, because enrollees are from rural areas, where many were self employed as farmers they were belatedly covered by the Social Security Act and, therefore, now receive far less than the maximum payments. Some are still not covered. These small Social Security payments are inadequate to meet their needs so it is important that they remain in the work force to support themselves.

I believe the focus of this Committee hearing, to discuss incentives for hiring older workers and alternatives to retirement, are important and essential topics but until

we have a better method of documenting the extent of older worker unemployment, it is hard to get a handle on these other issues.

I. CHARACTERISTICS OF RURAL, SENIOR UNEMPLOYMENT: THE DISCOURAGED WORKER

It is extremely difficult to develop a clear picture about unemployment among those 55 or older because so many are discouraged workers. As you are aware, discouraged workers are those who report they want a job but are not looking because they believe they cannot find work. Although the problem of discouraged workers is pervasive throughout the entire work force, the proportion of senior workers who are discouraged is much higher than is true for the general population.

The magnitude of the problem is indicated in a Census Bureau report that "older workers are *more than twice as likely* as others to give up searching for a new job." [1] [Emphasis added.] This problem is so severe that the California State Employment Data Research Division has recommended caution in the use of unemployment statistics available for workers 55 or older because these figures do not include discouraged workers. Furthermore, we can only speculate on the severity of this problem in rural areas. We do know that the almost complete elimination of the small family farm and the total reorganization of agricultural employment must lead less resilient older workers to give up.

The causes for discouragement are concisely summarized by the Census Bureau: "Older workers, once they lose their jobs, stay unemployed longer than younger workers, earn less in a subsequent job than younger workers, and are more likely to give up looking for another job following a layoff. Persons 55 and over are out of work on the average of nearly 20 weeks before being reemployed. That is 23 percent longer than the [time] between jobs, on the average for all unemployed Americans. Likewise the older worker who successfully finds another job will, on the average earn $1,500 less than he or she got earlier." [1]

Recognition of the seriousness of the problems facing unemployed seniors certainly makes it possible to understand why so many are discouraged workers. It also provides some clues as to what incentives are needed to reintegrate senior workers into the work force. The first thing that is needed is a positive work experience in a secure setting which will encourage the development of potential talents the worker may possess and redirection of skills they may have.

Green Thumb carefully selects work sites recognizing the degree of past discouragement experienced by our enrollees. We make certain that host agency supervisors are supportive and that the job is calibrated to a worker's skill level. People are placed in jobs we believe they can effectively fill but we do not underestimate what determination and hard work can achieve. We are in continuous contact with work site supervisors to upgrade enrollees' marketable skills and monitor their progress.

Some applicants come to us with highly marketable skills, good motivation but low self-esteem. They have been rejected so frequently by employers they do not believe in themselves any longer. For these people a work site where they can practice their skills and receive the necessary support is most important.

II. PROFILE OF SENIOR WORKERS

Although we can make some generalizations about the market place, that it is an environment frequently discouraging to senior workers, it is not helpful to make generalization about older workers. Unfortunately there are many stereotypes which must be corrected about the diminished mental and physical capacity, limited career interests and others. Experience with Green Thumb applicants has taught us that our enrollees are not a homogenous group. They are as diverse as the population in general and each person is unique. When they come to us for employment it is as a result of many different factors. Some have limited capabilities due to chronic health problems which keep them from the open job market, others are healthy vital people who are looking for new careers. Some are desperate for income to augment Social Security payments. Others, in addition to needing the added income, are interested in the social aspects of remaining active in the work force.

Enrollees, as survivors of the Great Depression usually know how to stretch the dollar, but all are in great need. Because of low pay, intermittent employment in earlier years, and a late entry into the system most enrollees receive far less than the maximum Social Security retirement payments. Historically, Green Thumb earnings have not exceeded the Social Security limitation so that a liberalization of the earnings limitation will have little affect on them. The loss is on the other end of the spectrum, the repeal of the Social Security minimum monthly payment available to anyone able to retire has had a serious negative impact on many enrollees,

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especially women who spent little time working outside the home while their families were growing up.

Recognizing the differences, Green Thumb staff assess and evaluate the experience, skills and needs of each person, we give first priority to the person most in need of the job and then, based on his or her skills, find a job where the worker can make the most productive contribution.

Enrollees are assigned to work sites with public or private non-profit agencies such as schools, libraries, fish hatcheries, senior centers, hospices and adult day care centers. In some remote areas they are responsible for keeping libraries open, which would otherwise remain closed most of the time. Enrollees conduct summer and after school reading programs for children. They recycle scarce resources and turn the proceeds over to struggling community organizations. A carpenter for example, no longer able to perform the more strenuous aspects of this profession is assigned to build cages for reptiles and animals at a children's science museum. A farmer no longer able to maintain or grow crops on a large scale can use these talents to establish a community garden producing vegetables which are distributed to needy seniors and others.

We also try to respond to those enrollees who wish to learn new trades. This is especially the case with reentry women. Many want to acquire office skills so they can take part-time jobs in a profession not physically taxing. We are able to place them at work training sites where they can acquire the necessary skills to accomplish this goal with supervisors committed to their success.

It is our goal to place enrollees at work sites where they will in addition to receiving much needed reinforcement, be in contact with potential employers. Most of our workers are highly motivated and many look forward to getting jobs in the open work force. We are proud of the fact that in spite of double digit unemployment rates and rampant age discrimination among private employers, we have placed over 17 percent of our enrollees in jobs.

Green Thumb is not, however, unrealistic. We know that not all will be able to compete on the open job market. Effective incentives to hire older workers are reduced when they are competing in a job market with ten million other unemployed. There is little reason for employers to take what they may consider to be risks when hundreds or thousands of hopeful applicants apply for each available job.

Although it is our objective to place as many people as possible in unsubsidized employment and we have had substantial success at that, even those who are unable to make the transition can still make important contributions as Green Thumb workers in community service programs.

III. A MODEL FOR PRIVATE SECTOR JOB DEVELOPMENT

We believe that we must work cooperatively with private industry in the development of jobs and realistic training programs. For example, Green Thumb has recognized a need for trained home health care aides and is presently engaged in training programs in several states to prepare enrollees to take jobs caring for the frail elderly, handicapped and others needing assistance to remain at home and out of expensive and isolated nursing home facilities. In California, an initial pilot project in Lake County earlier this year graduated 14 enrollees. In January 1984, the program will be extended to 5 other California counties to train 125 women and men to work in the home health care field.

One of the essential components of this training program is the involvement of private industry nursing home health care providers. They are beginning to show enthusiasm for training older workers in this field as a result of our pilot project successes. We are working with them in the design of curriculum, screening of applicants and they will be actively involved in training people to fill what have assured us are existing jobs in the trade.

We chose this particular field for training for several reasons; it allows the worker to arrange a convenient flexible schedule; he or she need only work as many hours as desired; it is a job which is available in almost every location; it need not be physically taxing for those unable to lift or do other strenuous tasks; and, private employers and individual clients we have surveyed are not reluctant for the most part to hire older workers.

Equally important is the fact that in the rural areas served by Green Thumb this type of service is especially critical since many communities do not have a nursing home facility. When persons are no longer able to care for themselves, they are generally moved from their familiar surroundings into a new location. This move can have a devasting impact on the mental and physical well being of the patient. It also disrupts ties with friends and family members in close-knit small towns. In ad-

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dition to the positive social implications, this is also an expanding area of employment as more people are in need of home health care assistance.

A second experience we had in job training was also instructive. We enrolled several workers in an electronics assembly and an industrial maintenance course. The results in this high technology field were not as encouraging as was the experience in the home health care field. But, we learned a great deal from it and so did the instructors and the student enrollees. We learned that younger workers come into this field with a different orientation and substantially different perspective and education.

The older students required more time at each level of instruction primarily due to the almost total lack of familiarity with the product and a long absence from the classroom. Some of these problems were offset by the older workers' habitual punctuality and conformance with rules and regulations, their motivation, tenacity and accuracy were also important. Instructors told us the older students were positive role models on the younger members of the class in these regards. This is an area to which we would like to devote more time in the future as jobs in the high technology field begin to stabilize.

IV. INCENTIVES FOR EMPLOYERS

Government created incentives including tax breaks for employers who train or hire older workers are important but may only work if a company believes that an older worker will be good for business. In this regard, government can play a role and the Green Thumb experience is most important. Green Thumb has over the years had to prove to skeptics that older workers are a valuable resource.

In 1972, when Green Thumb first came to California, appropriate work site sponsors were hard to find. Supervisors had to be convinced that an older worker would be of value and not a burden to their Program. After 11 years, we now have no difficulty finding work sites; in fact, we have a long waiting list. Prior to our efforts, even the prospect of a "free" employee was not enough incentive.

Our experience is that when given an opportunity seniors want to work or remain otherwise active in the community even though they have been discouraged in their search for employment. They do not want to feel that when they reach a certain age they have nothing more to contribute. By denying the opportunity for senior citizens to work, we will negate a valuable asset in our society. We are also ignoring a group which by the year 2,000 will compose the largest portion of our population.

V. CONCLUSIONS

Before we can develop long-range plans to keep older Americans in the work force, we must have a better understanding of who they are. We have to understand their psychological and economic needs, and establish a realistic picture of their capabilities.

We must increase the scope of the support systems available to older workers to include more employment and retraining opportunities. The discouraged worker must be reactivated and counted as a viable member of the work force. The skills of a lifetime should be lost or discarded. It is necessary to provide reentry support by supplying more public agency training sites where old skills may be expanded.

Government should provide incentives for employers that will specifically encourage the employment of seniors in specific jobs. Blanket tax breaks are not enough. We need a partnership between public programs and private industry to develop programs like the home health care project begun by Green Thumb. Green Thumb has developed programs which are specifically geared to demonstrate the economic usefulness of older workers and open up new areas of employment where needed. This approach can be extremely useful in a strategy to increase incentives for older workers and their potential employers.

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Mr. ROYBAL. Thank you, Ms. Kutchens. The Chair now recognizes Ms. Hoover.

STATEMENT OF GWEN HOOVER, DIRECTOR OF PERSONNEL, PACIFIC SOUTHWEST REGION, FOREST SERVICE, U.S. DEPARTMENT OF AGRICULTURE, SAN FRANCISCO, CALIF.

Ms. HOOVER. Thank you, Mr. Chairman, Mr. Shumway, Mr. Chappie, Mr. Riddle. It is a pleasure to be here this morning. My name is Gwen Hoover. I am the director of personnel for the Pacific Southwest region, USDA Forest Service.

Our regional forester himself, James Smith, sends his regrets that he could not be here on this very important occasion this morning. I do welcome the opportunity, however, of representing the Forest Service to discuss our participation in the older Americans program authorized by title V of the Older Americans Act of 1965 as amended.

The Forest Service refers to its title V program as the senior conservation employment program or SCEP. We have so many abbreviations in the Federal Government. The program is administered under an interagency agreement with the U.S. Department of Labor. The main purpose of the program is to provide low-income elderly participants with part-time employment of up to a maximum of 1,300 hours a year to supplement their incomes and to train them so that they may eventually find unsubsidized employment.

Funding for this program in the Pacific Southwest region in 1983 was approximately $1.9 million and we employed 626 older Americans for a total of 298 person years—one person year equals 1,800 hours. Nationally the Forest Service program was funded at $16.8 million under which 5,107 senior citizens in 39 States were employed. Thirty-five percent of those participants were women and 21 percent were minorities.

All of our 18 national forests in this region and the Pacific Southwest forest and range experiment station participated in this program in 1983. The positions available were about equally divided between national forests in rural areas of northern California where employment opportunities are very limited, and Forest Service facilities near metropolitan areas in southern California and Sierra Nevada, where the cost of living is high. Enrollees range in age from 65, the minimum age of eligiblity, to 83 years. Most are over 65 and all have incomes at 125 percent of the poverty level, or at or below the poverty level.

Enrollees are employed in all facets of Forest Service operations, such as at the forest supervisors offices; at the ranger district offices; tree nurseries and research facilities throughout the State. Sample duties include clerical and administrative support, computer data processing, vehicle maintenance and repair, greeters and hosts at national forest campgrounds, tree planting and timber stand inventory, sign repair and replacement, constructing fish habitat improvement structures, tree grafting and tending seedlings at Forest Service nurseries, and providing the public with fire prevention information.

The region estimates the dollar value of our senior conservation employment program work done in 1983 at $3.7 million. However, the intangible benefits of the program are much more difficult to convey. We have found that the older workers are very resourceful, enthusiastic, reliable, and extremely productive. The opportunity to contribute to activities that protect and manage the natural resources of the national forests account for a high level of personal commitment. In addition, their presence alongside our permanent employees and young people ages 16 to 21 who are enrolled in our youth employment program, also administered by the Forest Service, lead to productive interchange of ideas and values between generations.

Visitors to the national forests also benefit considerably from the host role many of our older Americans provide when dealing with the public. Many visitors, both young and old, find that our older hosts create a family atmosphere at national forest offices and campgrounds that contribute to everyone's enjoyment. And of course the enrollees themselves benefit from learning and applying skills while performing valuable community services.

We are particularly interested in placing enrollees in permanent positions outside the Forest Service. Besides contributing to the enrollee's economic well-being, each outplacement means another person can enter and benefit from this program. Toward this end, the Forest Service wrote to 450 corporations nationwide during Older Americans Month this year to acquaint them with the program and asking these employers to consider the potential benefits of hiring these very valuable senior workers. The response was positive and we plan to foster this effort at the local business level.

Thank you so much, Mr. Chairman.

Mr. ROYBAL. Thank you. I would like to start my questioning by directing my remarks to Ms. Barnes and perhaps the other members of the panel also. This committee has been told on various occasions that the older worker is more reliable, that the older worker is seldom late coming in in the morning, that the older worker is never absent on Friday or Monday.

Now has there been—or do you know of any national study that has been made that would substantiate this testimony that this committee has received over the period of the last three years?

Ms. BARNES. Chairman Roybal, I know of no study to answer your question and I wouldn't be quite so sure about never being absent on Monday or Friday. However, it has been my experience with three employers, as I testified, as a personnel director, that if you look at your employee population in terms of age groups, inevitably the workers over 50 years of age will have better attendance records, and that is demonstrable.

With regard to performance, we normally find that to be the case. However, performance is often a subjective thing to measure. With respect to productivity, yes, and commitment. Again, maybe the work ethic.

Mr. ROYBAL. Well, the statements that were made to the committee were based on the fact that whatever studies had been done up to that point showed that younger workers, are in fact, percentagewise absent more often on Friday and Monday than the older workers. This indicates to me that the older worker is ready to go

to work whether it happens to be Monday or Friday, whereas younger workers always seem to be getting sick on a Monday and a Friday, never any other day.

I was just wondering, and that is why I asked the question, whether there was a study substantiating it.

The chair now recognizes Mr. Shumway.

Mr. SHUMWAY. Thank you, Mr. Chairman. I am going to forgo asking any questions of this panel. I would, however, like to say that I think all three of the statements were just very well presented and certainly reinforce the basic premise that we are operating under, and that there is so much that seniors can do, and what they do do, they do it very well.

I particularly appreciate the shining examples that Ms. Barnes provided, and the valuable testimony and the experience of the other two witnesses. I appreciate your being here. Thank you.

Mr. ROYBAL. Mr. Chappie.

Mr. CHAPPIE. Thank you, Mr. Chairman. First, I will take the opportunity to commend all three of the witnesses not only on time but very well presented.

While I do not serve on this most important committee, I obviously do have concerns in that I, too, am required to be at work on Monday and Fridays, being beyond that age bracket.

Ms. Barnes, there is one thought that continually comes to mind in terms of longevity of many of your employees. Are they under social security in addition to your retirement plan?

Ms. BARNES. Yes, they are, Congressman Chappie.

Mr. CHAPPIE. Is there not some degree of disincentive on the part of some of the restraints that are imposed by social security. Does that discourage, to some extent, seniors who may have a great ability and the desire to continue in the work force, but they can't because of the restraints placed in the Social Security Act, that it is a disincentive and how do you cope with that?

Ms. BARNES. Well, as to how it can be coped with, perhaps you would have an answer more easily than I. I do know of cases where it has proven to be a disincentive to as much participation in the work force as some of our workers would enjoy.

In other words, I am thinking of one person in particular who was very careful not to exceed the earnings level in order to jeopardize the social security benefits and I, as the employee's representative, do not like to see this. You know, we would certainly prefer to have the best workers be on hand as much as they are willing to be on hand to help out.

Mr. CHAPPIE. Thank you. Finally, Ms. Kutchins, we have been involved in this process for many many years and my first experience was during my time in the State assembly and this is certainly one of the bright lights, notwithstanding the Forest Service and other areas, and I really want to commend you on the fantastic job you are doing up here in northern California.

Ms. SICILIANO-KUTCHINS. On behalf of the Green Thumb workers, thank you, Mr. Chappie.

Mr. CHAPPIE. Thank you, Mr. Chairman.

Mr. ROYBAL. Thank you. May I thank each and every member of the panel for their excellent testimony.

The next panel to be recognized will be made up of Bill Dozier, Robert Cooper, Laing Sibbett, and Frank A. Quinn. Would you please proceed? The Chair now recognizes Hon. Bill Dozier to start the discussion.

STATEMENT OF HON. BILL DOZIER, JUDGE OF THE SUPERIOR COURT, STOCKTON, CALIF.

Judge DOZIER. Honorable Congressmen and ladies and gentlemen, I do appreciate very much the opportunity to be here today to discuss the question of the absence of older workers in the work force. My name is Bill Dozier. I have been a judge for 32 years, 8 years on the municipal court and 24 years on the superior court. Last year I worked full time and 4 months on both the district court of appeals and the superior court at the same time, which I hope will throw some light on the ability of the old duffers—we old duffers—to continue in the work force.

It is rather ironic that we have heard a number of innovative ideas already discussed today with regard to the attracting and holding older workers in the work force by making the jobs more attractive or changing the duties slightly to make them easier on the older workers.

It is ironic that at the same time where both industry and Government in this country are throwing out of the work force hundreds of thousands of competent workers every year because of mandatory age requirement, and that is what I want to discuss today.

Mandatory age retirement as a preview has three serious substantial evils. First, it results in the discarding of our most experienced workers in very large numbers and as the speakers have already mentioned, older workers are at least as productive as younger workers and there are national surveys available that indicate their absenteeism rate is far far less.

Second, nearly every pension system in the country is bankrupt on an actuarial basis. In other words, there is not enough money coming in to pay off all of the employees as they retire. Obviously, the mandatory retirement system is contributing to the expenses of the pension system. If mandatory retirement didn't exist there would be a later age for the retirement system—and it would help ease the strains on our systems.

Third, of course, it is cruel, inhuman, and discriminatory to throw on the scrap heap employees who are still competent and eager to work. It is against the basic principles of humanity.

There is one point that I would like to digress for a moment to mention. It is very essential to the whole work of this committee, and that is the stereotype of senility. We all have friends in rest homes and always in the back of our mind is the dread that that is our inevitable fate.

It is just absolutely not true. Only considering people who die of old age; only 6 percent are senile before death. The overwhelming number of us will finish our lifespans with perfectly intact mentation.

I thought it would be educational perhaps to discuss the efforts made in California during 1983 to end mandatory age retirement. I

will paraphrase a letter that I sent to a number of the influential legislators in regard to the age retirement system for judges.

They have a neat little trick in the retirement system. There is no mandatory age retirement but if you don't retire before you are 70, they cut your pension in half. Inasmuch as most judges, contrary to doctors and lawyers, are not affluent, it is an effective method. They all retire before they are 70.

This, of course, is disastrous in a number of ways. First, it gets rid of all the most experienced judges. I cannot overemphasize how important it is to the functioning and the wisdom of a judge that as the same facts and legal situations keep recurring in a judicial career, it takes at least 20 years of experience before the judge is best equipped to handle these constantly recurring fact and legal situations. To throw him out of the job when he reaches top performance is just folly.

Second, of course, our judicial retirement system has already reached the state of actuarial bankruptcy, at least, and the money that we are contributing is no longer sufficient to pay the benefits that are already occurring. The general fund is having to supplement those resources and assist them. If we could create a later age for the judges to retire, the strain on our system would be reduced.

Finally, as I mentioned, it is just folly and wrong to base the decision on when a judge should retire on the stereotype of the capabilities of average men of his age. It should always be made on the basis of individual competency.

Now last year in California there was quite a ground swell of demand for an age for mandatory retirement and Assemblyman Chicone introduced a bill to do away with it in public employment in California. I would like to just read the short preamble of that bill because I think that it expresses very much the attitude of the Legislature of California. This is the preamble to the bill:

> The Legislature of the State of California finds and declares that the use of chronological age as an indication of job performance and the practice of mandatory retirement are obsolete and cruel practices. In addition this practice is placing an intolerable strain on our pension systems and our systems of the maintenance of income.

Mr. ROYBAL. Your Honor's time has expired.

Judge DOZIER. All right.

[The prepared statement of Judge Dozier follows:]

PREPARED STATEMENT OF BILL DOZIER, JUDGE OF THE SUPERIOR COURT, STOCKTON, CALIF.

Ladies and gentlemen. I was highly pleased to be asked to appear here today to address this committee.

This committee is studying one of the great social problems of our time, the absence of older workers from our work force.

The loss of these workers, many of them long experienced and highly productive, drains the economic strength of our society. The flood of retirees into pension systems is bankrupting them. The discarding of useful citizens is profoundly harmful to their mental health and enjoyment of life.

Some of your areas of inquiry may require the plowing of new ground, e.g., making jobs more attractive to entice older workers into them, altering work requirements to fit abilities of older workers, educating employers to value of older workers, etc.

But there is one childishly simple and massively effective step Congress can take that will solve a large portion of the problem.

While this committee is studying how to attract older workers into the work force, each year the government and corporations are throwing hundreds of thousands out of the work force because of mandatory age retirement.

These workers are by definition highly experienced. Numerous studies show that they often are more productive (and less frequently absent!) than younger workers, many of them want to continue working and are cruelly injured by being thrown on the scrap heap.

It is simply preposterous to have a retirement system that eliminates them as productive members of society at an arbitrary age that has no connection to their individual competency.

I hope it will be educational to this committee to relate the efforts I made in California this year to eliminate mandatory retirement of judges and the strange denouncement of these efforts.

The following letter I addressed to several of our most influential legislators early this year.

"The judicial retirement system, in effect, mandates the retirement of judges before their 70th birthday by cutting their retirement benefits from seventy-five percent to fifty percent if they retire after this birthday.

"When this principle was enacted there was no Commission on Judicial Performance to monitor the quality of judicial performance so there was no convenient way to get rid of judges who were 'losing their marbles'. The existence of the Commission, and its staff of investigators, now renders the mandatory retirement unnecessary. A few judges have taken early retirement at the request of the Commission for alcoholism or reduction in mental capacity.

"The mandatory retirement legislation is pernicious for the following reasons:

"1. It deprives the people of the state of employees of vast legal experience. The element of experience and familiarity with recurring situations is so important for judges that it takes at least twenty years to reach to performance. Forced retirement at that time is folly. I cannot over emphasize how significant is the increase in wisdom of a judge each time a similar fact situation reoccurs and how interesting and inevitable it is for the judge to follow the developments in legislative and judicial case law that accrue between the occurrences.

"The truth of this is demonstrated by the fact that over fifty judges in the state are serving as arbitrators or judges pro tem in the Superior and Appellate courts after retirement today. Litigants and the Judicial Council recognize their quality and eagerly seek their services.

"2. The mandatory retirement policy is expensive and is one of the factors that has lead to the actuarial bankruptcy of the Judicial Retirement System. The number of judges retired has proliferated and the general fund is being called upon to supplement the resources of the Retirement System. At the same time as each judge is forced out, a new judge takes his place, salaries and pension costs nearly double and the state deficit increases. Obviously, the elimination of mandatory retirement would significantly east the strain on pension systems throughout the nation.

"3. The legislation is flatly contrary to federal and state legislation against age discrimination. It is a cruel thing to force a work, whose health and brain are in excellent condition, to retire because of the average capabilities of men at that age.

"Obviously, the determination should be made on an individual basis. After all, Brandeis, in his low 80's, and Holmes, in his high 80's were still marvels on the United States Supreme Court.

"There just is no longer a reason for the legislative axe (except to make room for attorney-legislators who covet judicial appointments). The policy reasons against it are overwhelming."

Pursuant to this letter and citizen demand for abolition of the mandatory retirement system in government in California, Assemblyman Chacon introduced Assembly Bill 398 to abolish mandatory age retirement in California public agencies.

Assemblyman Chacon adroitly manuevered this bill through the Legislature to passage as Chapter 66 of the Government Code.

This statute hs an admirable preamble which reads as follows:

"The legislature of the State of California finds and declares that the use of chronological age as an indicator of ability to perform on the job and the practice of mandatory retirement from emloyment are obsolete and cruel practices. . . . In addition, this practice is now imposing serious stresses on our economy and in particular on pension systems and other income maintenance systems."

To my great distress the prohibition of mandatory retirement does not apply to judges, or, indeed, to any government employee whose pension will exceed $27,000! So, a bill that had as a purpose the preservation of productive workers in the work

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force ends up excluding highly productive employees while preserving the janitor's job.

The California Judges Association supported the legislation but in the memorable words of Franklin Roosevelt, "The hand that held the dagger has stabbed his neighbor in the back". I speak of the Judicial Council which opposed the legislation because it would "dry up the pool of retired, voluntary judges whom the Council can send into counties to handle emergency needs".

There is a very recent United States Supreme Court decision of great significance to this Committee. It is *E.E.O.C.* v. *Wyoming*, 103 S. Ct. 1054 (March 1983).

In this decision, Justice Brennan, a justice that you should be pleased to know is well into his seventies, wrote the majority opinion declaring the Congress had the constitutional power to impose its legislative judgment in regard to mandatory age retirement on the states.

In concluding my remarks, I can do no better than to quote the trenchant pronouncements of Justice Brennan against mandatory age retirement:

1. "Although age discrimination rarely is based on the sort of animus motivating some other forms of discrimination, it is based in large part on stereotypes unsupported by objective fact.

2. "Moreover, the available empirical evidence demonstrates that arbitrary age lines are in fact generally unfounded and that, as an overall matter, the performance of older workers is at least as good as that of younger workers.

3, "Finally, arbitrary age discrimination is profoundly harmful in at lease two ways.

"First, it deprives the national economy of (A) the productive labor of millions of individuals and (B) imposes on the governmental treasury substantially increased costs in unemployment insurance and federal Social security benefits.

"Second, it inflicts on individual workers the economic and psychological injury accompanying the loss of the opportunity to engage in productive and satisfying occupations."

The evil is nationwide. I entreat the Congress to eliminate it nationally.

Amend the Federal Age Discrimination in Employment Act to remove the age 70 lid now in the Act. Forbid mandatory age retirement whether established directly or indirectly. (Some systems avoid the term "mandatory retirement" by paying a substantially higher pension to those who retire before 70 than those who retire later, a practice that is actuarily unsound and a patent subterfuge.

If you think it wise to add a provision that a mental competency test of employees over that age be permitted the employer so state in the act. (The recent California legislation has language for this that you can use as a model.)

If political compromise persuades you that you should in 1984 just raise the lid to 74 or 75 that is better than nothing.

Take the bizarre provision out of the present Federal Age Discrimination Act which denies its protection to "members of a legitimate good faith retirement system"!

In any event, please do something to take a simple and practical step to end this malign custom of throwing effective workers off the work force at an arbitrary age that has nothing to do with their indiviual competency.

As your Senator Pepper once said: "The only criteria for continued employment in our great land is whether the man can do the job".

Mr. ROYBAL. The Chair now recognizes the general manager of the Economic Development Corp., Mr. Robert Cooper.

STATEMENT OF ROBERT COOPER, GENERAL MANAGER, ECONOMIC DEVELOPMENT CORP. OF SHASTA COUNTY, REDDING, CALIF.

Mr. COOPER. Thank you, Mr. Chairman, Mr. Shumway, Mr. Chappie, and Mr. Riddle. In addition to my position as general manager for Shasta County's Economic Development Corp., I also serve as the manager for a four-county development corporation that takes in Shasta, Trinity, Siskiyou, and Modoc Counties.

In respect to the panel's respect for brevity I will divide my comments into three separate and short sections, the first one being local business development, the second economic trends, and the third future actions.

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To preface my comments I would like to state that the opinions expressed in this testimony are mine only and do not reflect either of the boards of directors of either of these corporations.

I view these as a practitioner in the field of economic development and my activities center primarily around financing of new business or expanding businesses in our area and the recruitment of new industry to northern California.

For example, in the past 3 years these two corporations I work for have provided financing for 40 new small businesses—in our area. They have totaled over $5 million in private and public sector capital and have included about 300 new job opportunities.

You would think for a very small corporation those would be good accomplishments. However in reviewing it with respect to older workers, I can find none of these companies that have a direct policy of utilizing older Americans, nor do I find any of their products to be specifically oriented or made for the older Americans.

In economic trends I am going to list just a few that I think would reflect upon the older worker. Northern California's economic base is continuing to change from its resource-oriented industries of lumber, mining, and agriculture to one dominated by commercial and service centers to serve its growing population. Our local resource-oriented industries will survive based on their cyclical trends of the national economy. However, these businesses will not reach their historical peaks of job creation.

This regional trend parallels America's trend from changing from an industrial society to one of service-oriented businesses. Therefore the pressure will be even greater for the older workers to maintain their existing jobs or to be accepted for training for new jobs in light of the rapid pace of our technological era.

Coupled with these facts are additional negative terms that are affecting northern California's work force. An exceptionally high immigration rate from urban to rural areas is creating population growth patterns and problems, new local issues to resolve. For the older American this means increased competition for fewer job opportunities. Studies by Chico State University and SRI International report that these newcomers to our local work force are also younger—on the average—and have higher education than the indigenous population. These newcomers also show a high degree of willingness to work at jobs at which they are overqualified. They do so as a tradeoff for the quality of life attributes that we have in northern California.

No. 3: Future actions. I am not an expert on aging issues. I work more with the day-to-day financing of businesses and I don't have any patented solutions to some of the things that we have heard here today. But looking simplistically at this complex issue, I hope that we continue to work in both the public and private sectors to resolve the issue of older worker employment.

Making some broad assumptions we can open the discussion for future action. The first one would be that the private sector will continue to be driven by its profit motives in our highly competitive and capitalistic economy. A combination of private sector initiatives that would positively affect the business' bottom line would have a better chance of helping the older worker, rather than force

public regulations that are costly to the business to enforce or monitor.

Such ideas could be targeted tax credits for the smaller businesses for older workers, increased Government contracts to smaller businesses if they maintain a certain level of older workers, targeting of training funds as we have heard already, such as the Job Training Partnership Act which, on the one hand, requires 38 percent of all funds be directed toward youth with 3 percent of the funds specifically targeted to older workers. This is a correction to my written testimony. I had 0 percent. I found out it is 3 percent.

Hundreds of ideas I am sure can be generated and I am sure have been generated already to follow this mutual benefit-type clause where we are helping the private sector and, in turn, it would help the older American.

The final assumption is that the most tangible actions today are being generated at the local levels and not at the State and Federal levels. We see examples all around us of local communities and neighborhoods tackling such complex issues such as crime prevention, waste disposal, energy and environment, and if we give the proper guidance to these local organizations and communities, they will direct their efforts to solving this problem. Thank you.

Mr. ROYBAL. Thank you. The Chair now recognizes the columnist for the Redding Record Searchlight, Mr. Sibbet.

STATEMENT OF LAING SIBBET, COLUMNIST, REDDING RECORD SEARCHLIGHT, REDDING, CALIF.

Mr. SIBBET. Thank you, Chairman Roybal, Mr. Shumway, Mr. Chappie, and Mr. Riddle.

I would like to address myself mainly to the general direction of the employment programs, rather than to either local specifics or to special national legislation because these issues will be discussed in other testimony. My remarks come from the point of view of an elderly consumer, since I am 73, a former AAA program developer, a former service provider, coordinator of the Department of Senior Services in Shasta County, and an ongoing student of the entire field of gerontology.

We complain about the rising costs of services for the elderly yet our society's retirement and employment policies contribute to these costs. It seems an anomaly that this happens. The employment programs of the Federal Government include Green Thumb, title V, RSVP and Foster Grandparents. Incidentally, I was told yesterday that the last two weren't employment programs but for somebody on $400 or $500 a month, they are employment programs, believe me.

Their nature, however—and I don't mean by this in any respect to make a pejorative word here—but the nature of these programs is palliative and paternalistic and what we need to do is attack the root of the problem and not the symptoms. Green Thumb, title V, and so forth are necessary because if you have a sore you have to put something on it to help it but that doesn't help the cause.

We need to effect substantial changes in the way people of all ages are hired, fired, and retired. Now we exhort private industry and the bureaucracy to hire the elderly and this goes on all the

time. I think there is one program that has been passed by Congress, but it has not reached the grassroots yet. There are no specific programs for creating programs for industry.

If industry looks at something, and we discussed this at lunch yesterday, and says, what is in it for me, they are going to have to show some kind of a profit motive to be able to show their board and their stockholders. The Federal Government needs to show by research and publication just exactly how cost effective hiring of elders can be for the intelligent employer, and that answers your question, Mr. Shumway.

And by the way there are studies—and I have read them in "The Gerontologist," which is our monthly magazine at WGS, and I am sure that Alice Gonzales could refer you to studies that have been made in those terms. So the first thing is to show by research and publication how cost effective it is.

Second, in our age of rapid job description change, the basic thrust of an employment program should be in the field of reeducating older people to the kinds of jobs that would particularly fit the older worker. I have changed professions three times in my life.

I was 30 years in one profession and then when I reached 55 I changed again and then 7 years ago I changed again to the elderly. We need to reeducate. I reeducated myself but many people are either unable to do this or they don't have the resources.

This would have the cost effective result of taking people off the unemployment and welfare rolls and onto the taxpaying self-sufficient rolls of senior citizens. I have seen actual cases—and I am sure you have too—where the results of such programs save thousands of dollars to the social system annually.

One woman was trained in Clement Falls, Oreg., to be a welder. She had been on welfare for 7 years. She was trained to be a welder. Before she graduated from that program she had a job at $8.50 an hour and went into the labor force as a taxpayer and never went back on welfare again. Now the Government saved itself lots of money by training her to be a welder.

The third thing is that our retirement regulations must be changed from a chronological basis to a proof of ability basis. Age discrimination needs to be fought vigorously with prosecution, whether that discrimination needs to be found in government or in the private sector.

And as additional material for the record I submit a column of mine from the Redding Record Searchlight, October 9, 1982, entitled "Hiring Seniors Can be Profitable."

Mr. ROYBAL. Thank you. It will appear in the record at this point.

[The prepared statement and attachment submitted by Mr. Sibbet follows:]

PREPARED STATEMENT OF LAING SIBBET

I would like to address myself mainly to the general direction of employment programs, rather than to local specifics or special national legislation, because these issues will be covered by other testimony, My remarks will come from the point of view of the elderly consumer, a former AAA program developer, a former service provider, and a student of the entire field of gerontology.

We complain about the rising costs of services for the elderly, yet our society's retirement and employment policies contribute to these costs.

The employment programs of the federal government, such as Green Thumb, Title V, RSVP, and Foster Grandparents are necessary, well-run usually, and important to seniors. Their nature, however, is palliative and paternalistic. they attack the symptoms, but do not get to the root of the problem to effect substantial changes in the way people of all ages are hired, fired, and retired.

Private industry and the bureaucracy are exhorted to hire the elderly, but there are no specific programs for creating incentives for industry to do that. The federal government needs to show by research and publication just exactly how cost effective the hiring of elders can be for the intelligent employer.

Second, in our age of rapid job-description change, the basic thrust of employment programs should be in the field of re-educating older people for the kinds of jobs that would particularly fit the older worker. This would have the cost-effective result of taking people off of the unemployment and welfare rolls and onto the tax-paying, self-sufficient rolls of senior citizens. I have personally seen the results of such programs save thousands of dollars per individual involved.

Thirdly, our retirement regulations must be changed from a chronological basis to a proof-of-ability basis, and age discrimination needs to be fought vigorously with prosecution, whether that discrimination be found in government or in the private sector. With the classified ads of all newspapers filled with employers asking for skilled workers, there is no excuse for our society not providing the job education for re-directing seniors to those jobs.

As additional material for the record I also submit for the record a column of mine from the Redding Record Searchlight of October 9, 1982, entitled "Hiring seniors can be profitable."

[From the Redding, (Calif.) Record Searchlight, Oct. 9, 1982]

HIRING SENIORS CAN BE PROFITABLE

For many years attempts have been made to coax employers into hiring older workers. There hasn't been much success. Now that the economy is in the doldrums, however, some employers are taking a second look at older workers, realizing they represent the potential to cut business costs and return larger profits.

Our own city and county are finding this true, and are hiring retired executives and employees.

It is my opinion that the average businessman should carefully review some of the reasons for hiring older workers. The factors that deter employers from hiring older workers are deep-seated and resistant to change. Just the very existence of the normal recruitment-following-college-graduation philosophy makes change difficult. Employers also have felt that there are greater cost factors involved in hiring older workers. Although the employer believes this, it is not always so. Many costs are less with older workers. Unions also have contributed to the ingrained notion that retirement is desirable at 60 or 65—nay, almost necessary. What is so sacred about retirement? For those who want it and can afford it, it should be available, but what makes it desirable for everyone?

Employers are beginning to see that flexible employment practices can solve problems for them. Flexible hours, part-time work, consultant and contract employment, shared jobs and changes from traditional 8–5 hours can make it easier to employ the older worker. Since elders themselves are more flexible due to a decreased need to work up in the organization and decreased economic demands, using them as employees in the newer arrangements becomes easier.

Elders have repeatedly shown in experiment after experiment that they are as a class more reliable than younger workers. They do not have the divided loyalties that often beset younger workers. They are used to responsibility, and to work that they do not always like. They often have more loyalty and little desire to move again, having sunk their roots in a retirement residence that they have no plans to change. They do not get pregnant and their family relations are generally more stabilized then younger workers.

Older workers need not be funded in pension plans in the same costly way as younger employees. Those interested in the greatest returns for the least expenditure should be interested in that. Besides the economic benefits of unfunded pension plans, older workers can bring the experience of years of skill to many jobs without requiring the employer to expend time and money in training. High levels of skill often can be obtained at competitive salaries.

While some older employees have personality quirks, as do those of any age group, many older employees have honed their personal-relations skills over many years of interaction with other people and are skilled in getting along with others.

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They often act as catalysts in offices and groups of workers so that morale remains high

Older workers have less absenteeism and turnover which reduces costs. They have enviable safety records. It is true that sometimes older employees suffer some loss of vision, hearing and response time, but when objective data is used they usually compensate by paying closer attention to detail and conscientious performance. The bottom line is, of course, can they do the job? Do they have the ability to produce? Employers who have given older workers a chance to prove themselves have been pleasantly surprised in most cases.

The motivation of older workers is heavily dependent upon the attitudes of the employer. If the employer is grudging and assigns the worker to menial and repetitive tasks beneath his ability, the motivation is apt to be low. Also, if the worker feels that the job is insecure and subject to prejudicial variances with other workers, the motivation may be low. If, on the other hand, the attitude of the employer is positive and affirming, the motivation of the senior worker tends to be very high since jobs are harder to obtain at upper-age levels.

The more experience that is gained with the use of seniors in the job market, the more that old prejudices, stereotypes and myths are put to rest and the more that employers find it in their economic interest to hire seniors, the better off the entire economy will be.

Mr. ROYBAL. The Chair now recognizes the District Director of the Equal Opportunities Commission, Mr. Frank Quinn.

STATEMENT OF FRANK A. QUINN, DISTRICT DIRECTOR, EQUAL EMPLOYMENT OPPORTUNITY COMMISSION, SAN FRANCISCO, CALIF.

Mr. QUINN. Thank you, Mr. Chairman, Mr. Shumway, and Mr. Chappie, it is a pleasure to be here. As you know, Chairman Clarence Thomas of the Equal Employment Opportunity Commission has expressed his regrets that he could not be here.

The EEOC is a Federal law enforcement agency, although we do offer voluntary program assistance to State, local, and private employers. We have three laws that we enforce, title VII of the 1964 Civil Rights Act, which prohibits discrimination because of race, creed, color, national origin, and sex, the Equal Pay Act, which prohibits discrimination for the same work wages based on sex discrimination, and our most recent one, the Age Discrimination in Employment Act. This covers people between the ages of 40 and 70.

Unlike the other acts where you will remember the class—the race, Hispanic, Native American, or a woman—this is one class where you grow into the class when you become 40, and as I am realizing, you grow out of it when you become 70, so it covers only between the ages of 40 and 70.

The State of California has a similar law which is administered by the State Department of Fair Employment and Housing, and I might say to you that we do not duplicate our work. We share our charges, we share our information. We have agreements that we do not duplicate the work because there are so many charges that both agencies have to take care of.

I would like you to know that in the fiscal year of 1982—now the Federal fiscal year runs from October 1, 1981, in this case to September 30, 1982—we took in 360 age charges. In the fiscal year just ended we took in 600 age charges. That was an increase of 67 percent.

We are projecting for this fiscal year 800 age charges, another 33 percent increase. We think this is not only the condition of the economy and older people being laid off, but the fact that individ-

uals are becoming aware of the fact that they have rights under both the Federal law and the State law.

We, when we receive a charge of discrimination from an individual who says, I believe I was discriminated against because of my age, most of our charges, however, are mixed charges. Some people have the misconception that this law was passed for white middle-aged males. That is not so. Sixty-five percent of our charges through San Francisco come from people who say, not only because of my age but because of my sex or my age or my national origin.

We have also received complaints from individuals who do not wish to identify themselves and we are very careful in accepting complaints because we can, based upon a complaint, do a directed investigation, so we do not take complaints that just come in over the phone. We have to get information.

But the charge process begins with an individual with a charge. Under this law we attempt to immediately get information from the individual as to how he or she felt that he was discriminated against. We then approach the employer and get their response and then share this with the individual.

This law differs from title VII. Your committee might look into this, in that this law—title VII—says that we should conduct an investigation and come to a finding of reasonable cause to believe that discrimination because of race, creed, color, national origin, or sex exists.

This law, the age law, simply says that we should attempt to conciliate a complaint or a charge. We do not carry it forward with a full investigation. It is my personal opinion—and this is my personal opinion, gentlemen—that this is the reason why the number of successful settlements that we have is so much lower under the age law than under title VII.

We only have about 12 percent of our cases successfully settled under the age law but some 40 percent under title VII.

We find that many individuals these days are not filing with the State or with the Federal Government under the Age Discrimination Act, but they are going directly to court under the developing law of wrongful discharge, where they very often have an opportunity to obtain other benefits of back pay and so forth.

Thank you very much.

Mr. ROYBAL. Thank you, Mr. Quinn. This is the panel that I wish we could question for the rest of the day. As you know we will not have that opportunity. I, of course, particularly wanted to direct questions to the judge. I have never questioned a judge before, but you see, I won't have that opportunity.

But I would like to just very briefly go into the subject matter. I agree with the statements that each one of you have made. I agree with the statement made by the judge and the others, but in a discussion about the employment of senior citizens, there are always three things that happen to be highlighted when recommendations are made. That is that targeted tax credits should be provided, that increased contracts to small businesses be encouraged if they maintain a certain level of the employment of older workers and the other is the targeting of training funds to the private sector.

Now because of that, we have in mind, the committee, to start working on legislation that would incorporate those three recom-

mendations. It is not yet a matter that has been finalized with regard to the written text, but it is something that we are definitely considering.

Is there any one other recommendation that any one of you four gentlemen can make at this time beyond that that I have raised, beyond the three?

Judge DOZIER. Yes, there is one extremely simple thing you can do and that is, under the *EOC* v. *The State of Wyoming*, a U.S. Supreme Court decision decided in March 1983, the Supreme Court, by majority, decided that the decision of Congress as to mandatory age retirement can be constitutionally imposed on the State.

So all you have to do is just take the lid of 70 off that the previous witness mentioned. Just take that lid off, and also there is a funny kicker in the Age Discrimination Act the last time I read it.

It doesn't include in its protection members of legitimate and good faith retirement systems. So all you have to do to solve the mandatory retirement system throughout the country is just take the lid off in your age discrimination.

And then remove the provision that makes the Act inapplicable to members of retirement systems.

Mr. ROYBAL. In other words, since the Federal Government now has no retirement limitation, that that can also be imposed upon the States.

Judge DOZIER. You have the possibility—unfortunately the Federal Government, the Age Discrimination Act has that 70 years. It doesn't protect people who are 70 or more, but on that you can either increase the lid or take it off.

Mr. ROYBAL. Thank you, Judge, the committee will definitely look into that particular possibility.

Judge DOZIER. I would like to add to that because it is estimated that by the year 2020 fully one-fifth of our population will be over the age of 65 and that is a very important figure. It will be more than that in the work force.

Incidentally, Councilman Chacone's bill passed. In California now for public employees there is no longer mandatory retirement, but unfortunately it doesn't apply to people whose pension is over $27,000 but they have done away with it and it is very useful to Congress because it also has a provision in it that sets up a procedure for testing of older workers who want to stay but their employer thinks that they should have a test. It sets up a procedure for that.

Mr. ROYBAL. Thank you, Judge, anything else?

Judge DOZIER. Yes, I think that there is one item that could be included in that kind of legislation and that would be a matter of insurance.

Insurance companies very often, because of the stereotype of the older worker, will not allow employers to insure a worker, particularly, say, a driver of a truck or something like that. If you are over 55 you just don't get on, that is all.

There is no statistical basis for this. If it were a chronological age matter—which is one of the reasons that I say it needs to be on proof of ability rather than chronology, why then I believe that the insurance companies should have to prove that this person is in-

capable of driving before they would refuse insurance, rather than just the basis of chronological age.

Mr. ROYBAL. Thank you. Congressman Shumway.

Mr. SHUMWAY. Thank you, Mr. Chairman. I agree with your appraisal that this panel could really be the subject of a lot of questions and a lot more time than we have, but Judge Dozier, I am just delighted that you are here.

For the other members of this hearing, Judge Dozier has been a friend of mine of long standing. He is from my home town of Stockton and a man that I have respected and admired for many years.

Judge, I was very interested in your comments about lifting the mandatory retirement age and I take it that your feeling would be that such a lifting should be done across the board.

Let me ask you, are there some classifications of employment—a public safety consideration, airline pilots for example—would you make exceptions in some areas or would you apply this to everyone, simply lift the ceiling and let everyone have a chance at it?

Judge DOZIER. I think that it should be lifted entirely but there should be a testing procedure. For example policemen perhaps, their physical abilities decline at a certain time but it varies for the individual, but there should be a testing procedure cranked into the Age Discrimination Act. The California method provides that when the employee indicates—the public employee—that he wants to work after 70 then the employer has the option and the State personnel board is directed to set up the procedure for testing of his physical and mental ability according to what his job is.

Mr. SHUMWAY. So where there is a public safety requirement there at least could be some kind of testing for ability.

Judge DOZIER. Right.

Mr. SHUMWAY. You mentioned the matter of pension plans. It is my understanding that many of those plans that are now in place where there is the 70 cap, many of those plans were the result of collective bargaining between management and labor and if the Federal Government were to come in and change the law in that regard, what would it do to the existing contracts?

Would it somehow run over them and somehow nullify them insofar as they make provisions for age 70 or would we try to tender some kind of legislation that would meet all those varying issues?

Judge DOZIER. Well, of course, Congress has the constitutional power, when the public need is overriding, to pass laws that, in effect, abrogate such contractual provisions, but probably it would be politically wise to have a time period for perhaps 5 years to give the industry and labor a chance to negotiate changes in those contracts for a 5-year period.

And you know, there probably—as one of the witnesses earlier mentioned—I don't think younger employees would object strenuously because look at it philosophically. It would benefit them eventually so it wouldn't shorten anybody's work career.

It might make it a little more difficult for younger workers to get into the work force but that would be balanced by the fact that they would work longer, so nobody—such legislation wouldn't change the average work career of anyone.

Mr. SHUMWAY. All right, thank you. Just one other question for Mr. Sibbet. I really appreciate your earlier testimony as well and

without any derogation of these programs I agree with your adjectives, palliative and paternalistic insofar as many of what the Federal Government has come up with in the nature of programs.

A little later on in your statement you say the emphasis or the basis thrust should be in the way of reeducation. You cited your own experience in that regard. Some of these programs—title V, Green Thumb, RSVP and so forth—do have an education complement.

Are you suggesting to this committee, then, that perhaps we might prioritize the funding within those programs to expressly channel more toward reeducation and less, perhaps, for other kinds of services?

Mr. SIBBET. I think, perhaps, that it has been proven that when you educate you are not meeting an immediate need. You are meeting a future need. Yet I think that priority for education—for preeducation—for a wide spectrum of types of people and for a wide spectrum of different kinds of jobs, I think there needs to be some imagination here in terms of employers beginning to think in terms of people who are working for 15 or 20 hours a week for their company.

And of course I realize that there are all kinds of things involved in that and it is an oversimplification but I only had 5 minutes.

Yes, I think there need to be more funds for job reeducation and I think it is a great mistake to put that back and any effort in that regard—and I was aware that there were these elements but it isn't the primary emphasis.

Mr. SHUMWAY. Thank you very much, so thank you, Mr. Chairman.

Mr. ROYBAL. Thank you. Mr. Chappie.

Mr. CHAPPIE. No questions, Mr. Chairman.

Mr. ROYBAL. May I thank the members of the panel for excellent testimony and I really wish we could take more time but we cannot. Any written statement that you may have can be submitted for the record and it will appear in the record at this point.

The next panel will be made up of the following individuals: Mr. Buel B. Hunt, Ms. Willa Utt, Mr. Herbert Miles. Would you please come forward?

May I inform the members of the panel that it will be necessary for us to enforce the 5-minute rule. When the bell rings at the end of 5 minutes your time will have expired.

Will you please proceed? The first witness will be Mr. Hunt who is a member of the California Senior Legislature. Would you please proceed, Mr. Hunt?

STATEMENT OF BUEL B. HUNT, CALIFORNIA SENIOR LEGISLATURE, REDDING, CALIF.

Mr. HUNT. Yes, I was in that for 27 months, and later in another panel you will have the incumbent, but in the 27 months that I was in the senior legislature I saw activity of seniors that you couldn't beat. You can go to Congress—I have been down there—and I have seen their match right down here in California.

I will proceed. I am kind of wound up with words, you know, so I will try to cut this pretty short.

Honorable sirs, I am a 73-year-old retired senior who has been involved in senior affairs in retirement on a local, statewide and national scale for over 9 years. My involvement is directly related to this northeastern rural/urban area of California where we have special problems in unemployment.

As an example, it is important for you to know that my professional background of 43 years in Federal and State public service is backed by major engineering courses in two colleges and by scientific management courses in two universities.

It is also important that you should know that I belong to 12 senior organizations and I have held several leadership positions in them and other community activities.

I believe that I am a true example of the title, active older Americans. I am relating this background for your information to emphasize that the point of many older Americans are very involved, very useful and have qualifications that should be utilized and not be wasted by rejection from useful employment.

This rejection merely because of age 65 is a sore point with me. So I appealed it through local channels to Washington to no avail because I was classified as a so-called safety employee on forest fires.

Now that had nothing to do with my professions of technical forestry or engineering, and firefighting was very short time during the emergency season. However, I was forced into retirement in the professions of forestry and engineering where persons under age 40 were preferred.

Consequently I could find no employment in the fields of my career. A second part of the title of your hearing is older worker employment. So, being trapped by age, I turned to the aging network and became greatly involved with programs connected with the California and Federal Older Americans Act.

This seemed a logical training for me. However, after six examinations and talking to various hiring interviews it became apparent that politics and the preference for hiring younger workers also prevailed in the aging network despite the fact that the Federal act actually defined that older workers were to have preference.

I also find that title V of the Older Americans Act has programs titled Community Service Employment and Service Employment Corps under the Department of Labor.

These programs were contracted by Washington to agencies in the far distant cities of Petaluma and San Francisco where younger people and high travel expenses utilized funds which should be coming to local seniors for meeting the local needs, such as distributing the high surplus food that the government has on stock.

So here I am at age 73 without employment but with many qualifications. This markedly demonstrates the plight of many seniors who are part of the nationwide stigma of old age. That is exactly why we are appealing to government to make this the intention of the Older Americans Act and reality rather than great masses of words which are filed away.

Senior money should be managed by and for seniors and not be absorbed in high expenses through bureaucratic channels. I am

therefore suggesting a basic change by a 5-phased attack against gaps not being filled by the area agencies on aging in some areas.

In my separate paper which requires more than 5 minutes allocated to me on this program, I have presented to you under the title, seniors food, fuel, and health supported programs. These five separate programs I hope you will implement.

Program 1 is surplus food distribution by seniors. Program 2 is needy seniors public utility crisis, with seniors consulting with these programs. In this local area fuel work could be one of those programs.

Program 3 is needy seniors, in-home ill health, support. Seniors are will adapted to this. Program 4 is building rehabilitation for multipurpose senior centers. We don't have any here in Redding under that title.

Program 5 is a hospice bereaved widow/widower hospice hostel.

Your Honors, in the 5-minutes allocated to me at this hearing it is impossible to discuss details of these five programs so let me conclude, please let me emphasize these two things.

We active older Americans have the knowledge and ability to operate our own local programs. We can produce more benefits to older Americans with our own seniors and organizations in charge.

No 2, the most urgent of my five proposed programs is the food distribution program. The recent local emergency and the February 25 senatorial hearing on USDA surplus food emphasizes the need for you, the Nation's leaders, to turn over this surplus food distribution program to older active Americans and older worker employment without further delay.

I thank you for your attention.

[The prepared statement of Mr. Hunt follows:]

PREPARED STATEMENT OF BUEL B. HUNT, SENATOR, PSA 2, REDDING, CALIF.

Dear Congressman Shumway, in response to your letter to me on October 28, I very much appreciate being (as you describe) an "excellent" witness. As you know, I worked with state and federal government for over fifty years and have been deeply involved in retirement and Senior affairs for over nine years.

I attempted to get Senior Employment developed through the California Department on Aging and through the Area Agency (PSA 2, AAA) since the very start of the Area Agency, but could arouse absolutely no interest or action in the Administration, although Director Janet Levy did give me some data and encouragement. Washington AOA did nothing for us.

You of course know that national, state, and local Needs Surveys have indicated that No. 1 Priority is "Economics", and No. 2 Priority is "Health." Correspondence with both AOA, CDA, and PSA 2 AAA clearly state that "Needs Surveys" have absolutely nothing to do with actual Senior Service Programs (especially as to priorities). Herein lies the subject matter of my three years of concentrated writing and other efforts.

If Needs Surveys and Area Plans are not followed by the Area Agencies, why waste the time and money on them? The same holds on the Statehouse and White House Conference on which millions of dollars were spent.

"Employment and Retirement Income" are of course the "Economic Bastions" of Older Americans which are being depleted toward extinction by skyrocketting prices, especially those costs centered on energy and medical care ("Health"), and this is the concern of your Subcommittee on Retirement Income and Employment.

I want herewith to emphasize that the PSA 2 Area Agency on Aging has consistently resisted my three years of efforts to focus funds towards these two priority major Needs of Seniors in the five counties. Only a token funding of "telephone reassurance" in two counties, and only one county has a token funding for "Homemaker" services despite the fact that I have long cried for enactment of the Older

American Act requirement in Section 306(a)(2)(B)! (Senior Employment needed here.)

The point I want to make to your committee here is that Title V (O.A. Act) monies have been allocated annually by the Dept. of Labor in Washington to the far distant Petaluma headquarters of the Green Thumb, and to the far distant headquarters of the U.S. Forest Service in San Francisco, both [1] that hire administrative personnel being neither "Seniors" nor do they attend local "Senior" meetings and functions of administration and field "ear-to-the-ground" surveys by our volunteers who are not paid for their intense efforts toward Senior problems.

Viz: In other words, why should funds be expended through the U.S. Forest Service to employ Seniors (low income only) to work on U.S. Government (USFS) campgrounds and similar projects?

I. Why isn't this money (intended by the Congress to be of maximum benefit to the Older Americans) expended through Seniors to run the U.S.D.A. Surplus Commodity Distribution Program, rather than demanding that Senior volunteers utilize their own time and vehicles without pay or reimbursement for "out-of-pocket" expenses?

II. Why isn't this money spent to help Seniors to utilize waste forest and other wood product scraps (which are nearby) while feeble elderly freeze and must go without proper food to pay energy costs and escalating telephone bills that are vital to destitute homebound Seniors?

III. Why isn't this money utilized through Seniors to provide a FULL and sadly-needed "In-Home Supportive Services" as Congress intended in the Older American Act (see reference above)? (Note: PSA 2 AAA will not change from the old "grandfather" contracts/contractors and switch to Priorities No. 1 and No. 2 as have some other PSAs.)

IV. Why isn't this money utilized through Senior organizations (run by Seniors) to operate "multipurpose Senior Centers" and "Day Care" Centers as Congress intended in the Older Americans Act? (Note: PSA 2 AAA shows no interest in expanding into these programs as has been brougbt out in the California Commission on Aging Task Force investigation of November 1, 1983, page 59.)

V. Why isn't this money utilized through Senior organizations designed to ease the heartbreaking traumae associated with losing one's mate and/or lengthy terminal illnesses? (Hospice, hospice hostels, companion organizations for widows/widowers.)

VI. Why isn't this money utilized for a Senior Employment Service Center and YMCA multi-purpose, multi-age, multi-sex, refurbishing center (just now being undertaken)?

VII. Why should this senior money be utilized to provide high administrative salaries [2] for non-seniors, especially for work on government properties?

Seniors in such organizations as the American Association of Retired Persons are deeply concerned that the Older American funds and the "in kind" contributions of organizations and volunteers are not being fully and efficiently developed beyond the now-obsolete-non-cost-effective [2] transportation and congregate nutrition programs.

In line with the above questions, I have outlined a program entitled "Senior Employment Programs, (paid, "out-of-pocket", and free volunteer): Seniors' Food, Fuel, and Health Supportive Program" which I would like to present to your committee at Redding City Council Chambers December 1.

Sincerely,

BUEL B. HUNT.

ATTACHMENT—SENIOR EMPLOYMENT PROGRAMS (FOR "PAID", "OUT-OF-POCKET," AND "FREE" VOLUNTEERS)

THE SENIORS' FOOD, FUEL, AND HEALTH-SUPPORTIVE PROGRAMS (A PROPOSAL "DRAFT")

Purpose: To provide Community Services (refer to Title V of the U.S. Comprehensive Older American Act) so needed, but not otherwise provided, especially for Older Americans, and thereby give meaningful employment to Seniors who have talent, time, wisdom, experience, and possibly monetary needs. Special emphasis to be placed on easing the problems of those who are of age sixty and over, this being the

[1] The act specifically says that Seniors are to have the preference for hiring, but this is consistently violated.

[2] "Obsolete" equals in line with public deficits and expanding Senior Needs.

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intent of the Congress of the United States as envisioned in the Comprehensive Older American Act.

Administration: Administration to be wholly by Seniors under a governing board representing such non-political and non-profit organizations as AARP (American Association of Retired Person), NRTA (National Retired Teachers Association, Retired Public and Federal Employees, Y.M.C.A. (non-sex, non-age, non-racial), Senior Center Council of Shasta, and/or interested church organizations.

Funding: Older American Act Title V funds, contributions from businesses and private individuals and organizations, service clubs, earning events, "employment bureau", etc.

Divisions; ie, Programs:

I. Surplus Food Distribution (U.S.D.A.), ie, "surplus" government commodities (to all ages). (This program now syphons off Transportation and Nutrition funds from the local Area Agency contractor, plus utilization of over-worked volunteers who get neither pay nor "out-of-pocket" expenses—which some can ill afford.) (Note: The YMCA (Shasta County) is refurbishing a huge lumber company facility which could be cooperatively used, and they are interested in the Senior employment program.)

II. Needy Seniors' Public Utility Crisis (primarily "Energy"). The Jan. 1, 1984, divesture of the AT&T is going to cause skyrocketting prices for the Seniors, many of whom are home bound, and this will cause a probable collapse of the small (inadequate) "telephone reassurance" program which is so vital to seniors, especially in rural communities.

Heating in mountain communities of this northern area is a major problem for many needy Seniors who have meager home facilities. The multiple escalation of heating and cooking fuels (oil, gas, and electricity, and more lately fuelwood) have costs now where some Seniors must sacrifice on their food and medical budgets. However, with cooperation of nearby forest and ranch owners, and sometimes from nearby wood manufacturing plants, it is possible to develop a fuelwood supply for needy Seniors if some wages and/or "out-of-pocket" funds can be provided from the Senior Employment Project.

III. Needy Seniors "In-Home" Supportive Services: The Older American Act recognizes this as a requirement. However, in our PSA2 AAA only a token effort has been made in Lassen County, with two contractors in Shasta County only having "telephone re-assurance" on a very local scale because of high telephone costs and the need of volunteers to conduct the programs.

This is an outrage because we all know that "Health" for Seniors is of second priority both locally and throughout the nation. Moreover, Congress mandated this function in the Older American Act, Section 306(a), (2), (B).

Very few younger people have the empathy (or experience) to recognize that the "In-Home" supportive services are vital to both the health and the mental wellbeing of Seniors. From an economic standpoint these supportive services may be the only means of keeping some Seniors from having to be placed in costly institutions either at public or family expense, not to mention the trauma on the Senior and/or the family members at the recognition of senility-care failures.

Employment of Seniors under the Title V, with proper selection and training, would ideally fit into the great need. (Note: There are private "Health" organizations, and some public assistance for "homemaker" and "In-Home" services, however, many Seniors cannot obtain these services at present.)

IV. Building Rehabilitation for Multipurpose Center: The sad breakdown of the economy has caused many businesses to close down, especially in the "old city" areas where many Seniors must live. These vacant buildings might well be utilized for "Community Service Projects" as envisioned in the Title V portion of the Older American Act and in accord with the "Multipurpose Senior Service" and " Day Care" programs which are stressed in the Act, but which are totally neglected by the PSA2 AAA Administration.

Shasta County, especially in Redding, has long needed a "multipurpose Senior Center" so as to economize on the costly and fractionated independent Senior Services which are supported by the taxpayer, and against which the contractors are fighting for their empires.

For the fifth time the seniors in Redding have started an organization which was originally named "The Multipurpose Senior Center", but which has since become the umbrella organization incorporated as the "Senior Center Council of Shasta County". It has been largely financed by two AARP chapters, but should be backed by the Older American Act as to the "multipurpose center" and Employment under Title V, Community Service Program. This might well be done in the new YMCA center as a cooperative community effort which might also tie in with their Camp McCumber mountain retreat.

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V. The Hospice Bereaved (Widow-widower) Program is outlined by AARP and Mercy Hospital. There is a great need for this specialty which most (especially PAS2 AAA) "wouldn't touch with a ten foot pole". Special financing under Title V? (Note: There is a great need for a "Hospice Hostel" in Redding.)

Mr. ROYBAL. Mr. Hunt, may I compliment you for your remarks. They were delivered in less than 5 minutes. May I also request that the programs that you made reference to be included in the record after you mentioned each one of them, one through five. They will be included in their entirety.

The chair now recognizes Willa Utt.

STATEMENT OF WILLA UTT, PRESIDENT, BOARD OF DIRECTORS, LASSEN COUNTY COUNCIL ON AGING, JANESVILLE, CALIF.

Ms. UTT. Chairman Roybal, Congressman Shumway, Congressman Chappie and Mr. Riddle, the opinions I am about to express do rise from a rather long career as personnel management specialist in private industry and the Federal Government from which I am retired, and from my own experience with retirement.

We deal every day with financial needs of older people because it is a very real fact in the lives of many, but I am persuaded that all of us have a serious emotional or psychological need that hasn't received the attention that it ought to have and is just as serious as the economic need. I believe that psychologically men and women are alike and that they have the same needs. The fact of growing older, of facing retirement, of facing reduced activity is difficult for all of us. I think we all have uncertainties and insecurities and we sometimes feel confused and frustrated because we have become isolated from those work activities that were part of our lives for so long.

What seems to be missing is the reassurance that we still can do a worthwhile thing with our ability and knowledge. The generation with which you are concerned is work-oriented. We have been taught that work is the price of success in life and we cannot unlearn this on that magical day that we become of retirement age, whatever it is.

Return to work in some way—full time, part time, as a consultant, as a volunteer—can help solve these needs. Except for volunteer work the others solve two needs, the economic need and the financial needs.

I believe that we must make it easier for people to do something that they perceive to be meaningful. We must ease the income limitations on people who are under the social security system. We must stop treating our retirement systems as if they were welfare systems because I don't recall that being the legislative intent at the time they were introduced.

It makes it very discouraging for older people to continue their own efforts to remain active. One man that I know has retired twice and twice returned to his old job, not for financial reasons. I talked about it at some length. He said, the job bolsters my self-esteem. My employer needs me and I need him so I keep going back. And he doesn't have any plans for retiring a third time.

Another example that illustrates my point is of a friend who retired, tried the recreational life style including travel, didn't like it,

then returned to a position that requires frequent travel. He tells me the difference is he now travels with a work-related purpose.

The employer in both the specific instances that I have cited is the Department of the Army. Those of you acquainted with the Federal service know that reentering the work force as a retiree is not necessarily a lucrative thing but it solved this psychological need.

We dwell too much on the technological advances and we dwell too much on the differences between the young and the old in regard to their capacity to work. We ought to be looking at the similarities.

The University of California Institute of Human Development Studies have shown that brainpower frequently increases with age, that many people have gains in intelligence as reflected by IQ tests when tested at a later age and I believe that older workers can cope with the changing times.

[The prepared statement of Willa Utt follows:]

PREPARED STATEMENT OF WILLA UTT, PRESIDENT, BOARD OF DIRECTORS, LASSEN COUNTY COUNCIL ON AGING, JANESVILLE, CALIF.

My comments are directed to the premise that it is indeed necessary for many older people to continue in the workforce and most certainly in the mainstream of the community.

The opinions I express are mine; they derive from my own experience and that of close associates.

We read and hear a lot about the financial need of older people, and we deal with it everyday because it is a very real fact in the lives of many. I am persuaded that all older people have a serious emotional or psychological need that hasn't had the attention it ought to have and it is just as real as the economic need. I believe that psychologically men and women are alike and have the same needs. The fact of growing older, of facing retirement and reduced activity is as difficult for men as for women. All of us must come to the realization that we all have insecurities and uncertainties and sometimes feel frustrated and confused. We must look at the similarities and not the differences.

In my own experience, after a rather stressful career of more than 30 years, of course I was delighted with having become eligible not to have to work and with the prospects of no obligation, no responsibility and no schedule to keep. Once retired, this euphoria lasted about 3 weeks and then I began to feel isolated from all the people and activities that had been a part of my life for so long. I had a retirement plan. I worked at it. I travelled, and hunted and fished and did all the things I planned to do. But the need persisted to do something more meaningful, to be on a schedule, or perhaps it was to be more organized. What seemed missing was some reassurance that I could still contribute something worthwhile to the community and that I could still use my knowledge and abilities.

The opportunities to meet this need came in large part from the kinds of programs that we are concerned with here today: I enrolled in some classes, I had a part time job; I served as a volunteer tax assistant for the IRS and the Franchise Tax Board; and I did some other volunteer work.

The generation with which we are concerned is work oriented. We have been taught that work is the price of success. We cannot unlearn this on that magical day when we reach retirement age. A return to the workforce, full time, part time, or as a consultant to use special knowledges and skills, can meet both financial and psychological needs.

We must make it easier for older people to do some productive work, something they perceive as meaningful. We must ease the Social Security earnings limitations. We must stop treating our retirement systems as welfare systems and encourage older people in their efforts to remain active.

I personally have not often wanted to return to a regular job. Note I said "not often." But for all of use, whether we openly admit it or not, our jobs and our community activities have served as a sort of security blanket. I know many people who have retired then returned to work: some to their old jobs, most seek other less demanding jobs, self employment, or volunteer work.

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One friend has twice retired and twice returned to his old job—not for financial reasons. I asked him about it and he told be he likes that job, it bolsters his self-esteem, and he said "my employer was good to me. He needs me, so I keep going back." And he said he found he could do what he wanted to do in retirement and hold a job, too.

Another example which illustrates my point is that of a friend who retired, tried a recreational life style including travel, then returned to work in a position that requires frequent travel. He now travels with a work-related purpose.

We dwell too much on technological advances. We dwell too much on differences between young and old in the workforce as to their work capacity. I recently read that University of California Institute of Human Development studies show that brain power frequently increases with age; that many people had gains in intelligence as reflected by IQ testing when tested at a later age.

We must make it easier for older people to meet their own needs. In rural areas such as the Northeastern area of California with which we are concerned and in rural areas throughout the nation, it is especially difficult. There are fewer facilities, fewer employers, greater distances, and in a sense, fewer opportunities. We must assure that not only the programs but the funds to support them are available to help all older Americans help themselves.

Mr. ROYBAL. Time has expired. The Chair now recognizes the president of the board of directors of the Shasta Senior Nutrition Program, Mr. Herbert S. Miles.

STATEMENT OF HERBERT S. MILES, PRESIDENT, BOARD OF DIRECTORS, SHASTA SENIOR NUTRITION PROGRAM, INC., REDDING, CALIF.

Mr. MILES. Chairman Roybal, Congressman Shumway, Congressman Chappie, Mr. Riddle, Shasta Senior Nutrition Program is a private nonprofit corporation that provides various services for persons in Shasta County who are 60 years of age and over. Included in these services are congregate meals, home delivered meals and transportation.

We are a subsidiary operation of Mercy Hospital of Redding and, like our parent corporation, we have a policy of employing older workers to the maximum possible extent.

Whenever a position is to be filled preference is given to qualified older applicants. Our work force consists of 45 persons and that includes 22 employees over 55 years of age. Twelve of these older employees are in a job sharing category and eight hold part-time positions.

Some of these older workers receive social security payments and they want to limit their earnings to avoid loss of benefits. Others want to have some free time but are not ready for full retirement.

We have found that the turnover rate for older workers is low and when one leaves it is generally for the purpose of full retirement. We have found that the job sharing plan is beneficial to our organization because when an employee is on leave we can reschedule the working time for another person in that category.

We have found the older workers to be dependable and to do well in their job performance. We have determined that the employment of these persons is highly desirable both from the workers' and the employers' standpoint.

I also wish to comment on the reauthorization of the Older Americans Act which is to be the subject of the hearing in Roseville tomorrow. On review of the objectives of the act the major consideration is to provide a better life for seniors. It is the policy of the Shasta Senior Nutrition Program to employ seniors whenever

possible to provide an opportunity for them to supplement retirement income so they can enjoy a better standard of living.

Our congregate meal program is of major importance in providing a better life for seniors. We are currently serving over 450 meals per day at congregate sites in Shasta County. We recently conducted a survey of participants in this program which included the majority of those participating. We found that 58 percent of the people attend 5 days per week and 77 percent attend 3 or more days per week. Another important aspect of this program, in addition to the nutrition value, is the opportunity afforded seniors to socialize with others. Many of them arrive as early as 10 a.m. for the noon meal and remain for a good part of the afternoon.

In recognition of this aspect we make every effort to transport many of the people who could not otherwise come to our congregate sites. Two of our thirteen vans are equipped with wheelchair lifts and we expect to replace one of them with a new van so equipped. Other seniors use walkers, enabling them to have sufficient mobility to attend our sites. Indeed, overcoming loneliness in older persons is just as important as providing good nutrition.

Some of the seniors we serve unfortunately do not have sufficient mobilities to be transported to our sites so our home-delivered meals program does provide a measure of care. We are presently serving 183 seniors per day in our home delivered meals program. For those who have no other means of obtaining meals on weekends when this service is not available we deliver frozen meals for them for their weekend use.

On the basis of our experience with both the nutrition and transportation programs, it is obvious that we are providing an essential and cost effective service to many senior citizens in Shasta County.

Mr. ROYBAL. Thank you, sir. The chair recognizes Mr. Shumway.

Mr. SHUMWAY. Thank you, Mr. Chairman. In the interests of time I will likewise forego questions but I would like to make just one comment to Ms. Utt. I very much appreciated that your testimony demonstrated the psychological as well as sometimes the financial needs and it is very true that sometimes we tend to give more emphasis to the financial aspects of it than the other, which is likewise important.

You mentioned as to one thing we might do, increasing the income earned limitation under social security. I very much agree with you in that regard and I have authored a bill pending in Congress that would accomplish that. Your support is very much appreciated. Thank you.

Ms. UTT. Thank you, sir.

Mr. ROYBAL. Mr. Chappie.

Mr. CHAPPIE. No questions.

Mr. ROYBAL. May I thank the panel for very fine testimony and compliment you, incidentally, for keeping within the 5-minute rule.

The committee now will hear from another panel before lunch. Panel No. 4 will be composed of Mr. Dick Lund, Nancy Fricke, Spencer Edgmon, and LaVerne Laffranchini.

Under the 5-minute rule the Chair now recognizes Mr. Dick Lund.

STATEMENT OF DICK LUND, AMERICAN ASSOCIATION OF RETIRED PERSONS, GREENVILLE, CALIF.

Mr. LUND. I know when I say a remark to Congressman Shumway—and of course I am pleased that the committee with such high-level representation attended—I speak for everybody here when I say to the Congressman that he is fortunate, indeed, to have such a competent staff, especially Nancy Hobbs at the 202 number which I never call except collect and the 800 number which we call frequently, my wife and I.

For 36 years of married life I have been known as, you know who that is, that is Nancy's husband, Dick. Now I must say that a couple of people today already have asked, where is Nancy. Well, she will be in Roseville tomorrow.

Now I may have not prepared the proper kind of speech because it is all mine. Nancy was very occupied and couldn't write it, so all applause is mine.

Congressman Shumway, as legislative chairman of the Greenville AARP, I wish to inform you that for many weeks our members have been discussing the focus of the Select Committee on Aging and your possible directions. On behalf of many rural seniors I want to urge you to work to expand programs that employ seniors.

At present the age of retirement has been pushed to 70. As we understand it from AARP releases there is pending nationai legislation that will, in all probability, remove all barriers. That is fine for those who want to remain in the work force. But for many they want to retire at an early age if they could be assured that their retirement benefits would suffice. Many also would be encouraged to quit a 40-hour-plus job if they had some assurance that an adequate part-time job through Green Thumb or similar community employment existed.

Obviously people retiring would open up jobs for younger wage earners. Now how great is this need? Let me cite just one example. The 1983 April issue of Fortune Magazine stated that 400 of America's corporations eliminated 1,300,000 jobs. Many of our lawmakers are now considering one or another plan for public service employment projects. Most seniors encourage such efforts, knowing full well that competitive Japan and other nations are going this route.

For the benefit of the communities, without replacing a single worker, seniors under Green Thumb or a similar plan could be utilized by schools, libraries, parks, hospitals and the Forest Service. Secondly this occurs now, but the number involved is insignificant and the main limitation is the outdated income guidelines.

Let me cite two examples that focus on our problem. One, in Plumus County we have a very large and diverse fair grounds that provides space and facilities for a variety of activities year-round. They have utilized Green Thumb workers as maintenance men. They actually were hired as common laborers and they were paid the minimum wage but they functioned as maintenance men. Their performance was outstanding. In 1978 or thereabouts income guidelines were lowered and the county lost the best of the Green Thumb members. The county does not have the funds to hire this type of necessary help. Kindly note—I did this because I intend to

submit it to the committee—in 5 years since Proposition 13, cities, counties and special districts in California lost $7 billion in revenues. The source is the Sacramento Bee, October 17, 1983.

Under this entry I would like to read an excerpt from Pearl Barnes addressed to Congressman Shumway and she is responding to a survey questionnaire that Congressman Shumway mailed out.

I am 81 years old and I work under the Green Thumb in the library in Greenville. The library funds have been cut so low in the rural areas that they cannot hire assistants or substitutes. If I had not been placed in here the library would have to close during the noon hour and if the librarian was sick or on vacation. A Green Thumb worker is never placed where there are funds to hire otherwise. Many employees, trained on Green Thumb have found jobs on the outside. The funds for this project will run out in June 1984, we hope you will support this program and any other worth while projects for Seniors.

Obviously Pearl is a modest person who understates both her function and her value to the Greenville community.

As to Seniors and their incomes; I know of any number existing on a modest income who regularly give money to adult offerings and/or adult grandchildren. A good jobs program would not enrich any senior as much as it would the community of their residence.

Mr. ROYBAL. May I remind Mr. Lund that just this year I have established within the committee a rural task force. It is a study committee that is studying the problems of the rural elderly. We just established it this year and their report is due next year.

I also state that Mr. Shumway is one of the most active members of that committee. So you are talking to the right person and you can be sure that, based on the work that Shumway has done that he will do an excellent job on that committee and that report will be forthcoming before the end of this session of the Congress.

The Chair now recognizes the next panelist, Ms. Nancy Fricke.

STATEMENT OF NANCY FRICKE, DIRECTOR, GREENHAVEN COUNTRY PLACE ADULT DAY CARE CENTER, SACRAMENTO, CALIF.

Ms. FRICKE. Thank you for inviting me here and I would like to especially thank Nancy Hobbs for sending the information I requested and it came in good time.

I am a reentry woman, one of the many older women who are widowed or divorced and we are looking for jobs and I guess we have to be retreaded instead of retired. I was also a member of the White House Conference on Aging as a California delegate—member of the California delegation in 1981, the human resource section.

When we try to pick out anything by itself it seems it is hitched to everything else to the universe, says John Muir, and I feel that way about my 5 minutes here. This is certainly true when I am talking about older women in employment.

We are a diverse group whose increased numbers mean new triumphs and challenges. We helped make the pie and now we want a piece of the pie and not just some crumbs swept from under the table.

This decade, by sheer numbers, we shall impact social policy. Today's older women, better educated and more involved with economic and community activities than previous generations, demand jobs and a voice in public policy instead of having to apolo-

gize for having lived so long. We vote more as a large voting block in population. Over 75 percent of persons 55 to 64 voted and 65 percent of the people 65 and older voted in the 1980 elections. We want our representatives to know that the hand that rocks the cradle can rock the boat or still the waters. We are older longer.

Aging is a women's issue. If we had been born in an earlier generation our life expectancy at the turn of the century was 48 years and it is today, of course, quite a bit older, but I will quote somebody from another generation. Ben Franklin said, a man has three friends, an old wife, a faithful dog, and ready cash. And we women need the same three friends, but we find often we don't have an older husband and the ready cash is not around and we are having to eat some of the dog's food.

So the opportunity for a decent life in older years certainly begins with a decent income. The first objective listed under title I of the Older Americans Act is adequate income, yet older women are 70 percent of the elderly poor.

Job creation for older women should be the top priority for the administration on aging, pilot programs, and demonstration projects. Exploitation of labor of older women is everywhere. Government agencies themselves can be discriminatory. There should be an employment opportunity for older persons in all programs related to aging, specifically related to aging. We find this is not true. Aging is a women's issue and I have many stats in my statement for you, but I have to skip down to more of my jokes.

We don't want our generation to go down as a feminization of poverty generation. We feel that wrinkled brown spots and how some personnel staff feel toward their mothers might even bias decisions, that we have to get to the practical.

It is a little like the classified ad in the "Real People" television show which said, "mature woman desires to meet millionaire, but will consider sailor." We may desire to make corporate decisions but we would consider a decent wage and jobs that use our skills.

On my third page I will leave out many of the ways I have of doing it. I do want to suggest that we would like for some of these older men to be our mentors and to train us to use some of our transferable skills because we think we can do the job if they will help us out.

At the end of my report I wanted to add that once the mind set has been changed from exploitation of older women in the labor market, we can find that paying for services—and this is really my point of the whole thing—we don't want to be the poor old things. We want to pay our way. Until that time we will need millions of dollars for services because your wives, your mothers, sisters, and daughters are becoming the poor elderly majority.

So we ask for a national policy on older workers that reflect the need of older women. We emphasize that older women can be part of the solution as well as the problem. We would like to be your—with that my time is up.

[The prepared statement of Ms. Fricke follows:]

PREPARED STATEMENT OF NANCY FRICKE, FOUNDER OF HARVEST AGE, INC., DIRECTOR OF GREENHAVEN COUNTRY PLACE ADULT DAY CARE CENTER, CHARTER MEMBER SACRAMENTO CHAPTER OLDER WOMEN'S LEAGUE

When we try to pick out anything by itself, we find it hitched to everything else in the universe. (John Muir)

This is certainly true about older women and employment. We are a diverse group whose increased numbers mean new triumphs and challenges. We helped build this country—helped make the pie, and now we want a piece of the pie, not just some crumbs swept up from under the table.

This decade, by sheer numbers, we shall impact social policy! Today's older women, better educated and more involved with economic and community activities than previous generations, demand jobs and a voice in public policy instead of having to apologize for having lived so long. As a large voting bloc in the population (over 70 percent of persons 55 to 64 and 65 percent of persons 65 and older voted in the 1980 elections), we want our representatives to know that the hand that rocked the cradle can both rock the boat or still the waters.

We are older, longer. What are the roles that you can accept for us? How can our work be protected from wage discrimination and consequent lower retirement benefits? How can we be retrained to fill jobs as needed? We have special kinds of untapped resorces and different kinds of needs than the women of older generations who, for example, at the turn of the century had a life expectancy of 48 years.

Ben Franklin said, "A man has three friends—an old wife, a faithful dog, and ready cash." Today's older woman also needs three friends, but she rarely has an old husband, there is seldom ready cash, and some are eating the dog's food.

The opportunity for a decent life in older years certainly begins with a decent income. The first objective listed under Title I of the Older Americans Act is "Adequate income." Yet, older women are 72 percent of the elderly poor.

Job creation for older women should be top priority for Administration on Aging pilot programs and demonstration projects. Exploitation of the labor of the older woman is everywhere—government agencies themselves can be very discriminatory. There should be employment opportunities for older persons in all programs relating to aging.

The focus should be on jobs for older women because women experience retirement or aging quite differently from men. Older women are porer, live longer, and more of them have more problems and are living alone with no spouse to take care of them. In July 1982, of the 26 million persons in the U.S. who were age 65 or over, 10 million were men, 16 million women. More than 10 million, or about 40 percent of the elderly. are over 75. Women comprise 65 percent of these and 73 percent of those 90—aging is a woman's issue. (1980 Census.)

We do not want our generation to go down in history as the era of the feminization of poverty. Instead, we should use innovative policies in the public and provate sector to make older women part of the solution. It is inappropriate for any person with useful talent and skills to meet with the resstance that older women now meet in the marketplace. Wrinkles, brown spots, how personnel staff feel toward their mothers, too often bias hiring decisions.

Now we get to the practical, a little like the classified ad on the Real People television show, which said, "Mature woman desire to meet millionaire but will consider sailor." We may desire to make corporate decisions but will consider a decent wage and jobs that use our skills.

Organizations should adopt a policy that uses functional criteria rather than age or sex in assessing job-related abilities. Older people are usually dependable, loyal, and have mature insight. Means tests, which demand humiliation before help can be given, should be eliminated. Older people should be used as mentors in youth programs. The Administration on Aging should put a major emphasis on training, counselling, job-seeking skills for oler Americans. Whenever possible, older persons themselves should be used as trainers, counselors, skill developers and placement officers. Older men might be of great value as volunteers to train older women to do some of the jobs that are especially suited to their transferable skills and insights, such as lay advocates, ombudspersons, mutual help counselors. Women can be trained to help with the complicated maze of services and cumbersome bureaucractic systems. Jobs in legal aid offices, senior centers, and Area Agencies on Aging should give preference to older women.

We can help women to economic security by the following means.

A change in Social Security to value homemaking.

Training for jobs; general assistance if needed.

Flex jobs and jobs shared with young mothers.

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Cottage industries, such as computer operations.
Tax credit for caretakers of elderly in the home.
Realistic divorce settlements and income sharing.
An end to Age and Sex discrimination.

Once the mind set has been changed from exploitation of the older women in the labor market, we find them paying for the services they need. Until that time we will need millions of dollars for services because your wives, mothers, sisters, and daughters are becoming the poor elderly majority.

We ask for a nation policy on older workers that reflects the need of older women. We emphasize that older women can be part of the solution as well as the problem.

Mr. ROYBAL. Thank you, Ms. Fricke, and again, right on the dock. May I ask for unanimous consent that Ms. Fricke's entire statement be included in the record at this point. Without objection it will be the order.

The Chair now recognizes Mr. Spencer Edgmon.

STATEMENT OF SPENCER EDGMON, PRESIDENT, GREENVILLE CHAPTER 83, AMERICAN ASSOCIATION OF RETIRED PERSONS, INC.

Mr. EDGMON. Thank you. Mr. Chairman, Mr. Shumway, Mr. Chappie, I am Spencer Edgmon, president of Greenville Chapter 83 of the American Association of Retired Persons.

As president of Greenville Chapter American Association of Retired Persons I have been encouraged by my membership to make this representation to you and the Select Committee on Aging. The focus today on opportunities for employment of seniors is not one of our top priorities. However, it is of great importance to a minority of seniors who are having a difficult time stretching a fixed income to meet 1983 living costs.

To that physically able senior who is subsisting on less than $600 a month, who is not eligible for food stamps, fuel assistance, housing subsidy, or medical, a part-time job could make a major difference, and what of the man of 55 or 60 who is laid off and is not eligible for social security. For him or her that job is not only a lifesaver but keeps him off welfare.

At the present time to be eligible for a Green Thumb or senior community service employment project, which the Forest Service offers in our area, a single person must have an income below $6,075 a year and a couple must have an income under $8,175 a year. It seems evident that the guidelines must be raised in order to embrace more elders and make the program more useful to the community. As a result of these outdated income guidelines, we find that many physically able and competent seniors willing to work and needing additional income are denied the chance. In our depressed local economy other jobs are practically nonexistent.

Let me cite one source verifying seniors' work capacity, a Department of Labor study, San Francisco Chronicle on November 24, 1983:

". . . have shown that clerical workers age 65 and over have higher productivity than younger workers and that there is no substantial difference in productivity between older and younger factory workers.

Now let me present a factual case of two Plumas County seniors, husband and wife, and their economic situation. Each is unemployed and physically fit and willing to work. Their sole income is from social security amounting to $675 a month. As cited above,

they are not eligible for any of the supportive services such as food stamps or fuel assistance or Medi-Cal and let me assure you that this couple is not unique.

This is their monthly budget: Their house payment is $220 a month; health insurance is $76 a month; house insurance is $19 a month; auto insurance is $30 a month; utilities, gas $50 to $110, average $80 a month for a year, electricity $17 a month, telephone—the base rate, just the base—$14 a month, laundry $14 a month; transportation—minimum for shopping, doctors, and so forth—is $28 a month which is a total of $499 a month.

That leaves $176 a month for food. It doesn't allow anything for a newspaper, TV cable, nothing to replace an 8-year-old car or make a repair on their home. You can readily see that a part-time job at minimum wage would make all the difference for this couple to live adequately. Thank you.

Mr. ROYBAL. Thank you, Mr. Edgmon. The Chair now recognizes Ms. La Verne Laffranchini.

STATEMENT OF LA VERNE LAFFRANCHINI, HAYFORK, CALIF.

Ms. LAFFRANCHINI. I have been looking at all these witnesses. I think I am the oldest one here, but nevertheless I am from Trinity County in Hayfork. That is just a little old wide place in the road and my county is so mountainous, crooked roads, and many, many miles between the little towns that transportation is a great problem. Also we need much more than we do have for the elderly people like low income housing. Our hospital is 31 miles from Hayfork itself and much farther for southern Trinity so, therefore, forces them to go another direction into Humboldt County, cutting off about 1 hour's driving time, not only for medical attention but social affairs and grocery shopping as well.

As for older workers they sent me a sort of a thing that I was supposed to go by. I wish they had sent me the questions and let me give the answers but I made up my own.

As for older workers, I believe there is more work and dependability in an older person, more manners, respect, and pride in their appearance. They seem to have the know-how which is so absent in the younger generation.

Also the older folks can encourage the youth to live a different life in these trying days, to get something for themselves started, get their roots in the ground. Older folks make good leaders. I know in my case folks seem to look up to me for advice, but of course I have been at it for so many, many years and I am not through, yet.

We older folks do not know it all and training would be good to bring them up to date with modern techniques which they have to work with. They are willing to learn.

I believe the hard age today is from 55 to 65 in the work market. There is still work and knowledge and there should be in some way put to use in a meaningful way. Only if there was a program where they could teach the youth to live like they were at their age.

And about social security, it has been a lifesaver for me, being left a widow 19 years ago, and for thousands of others like me. But when social security gets out of hand, in my opinion, is when the

rich and the semirich receive pensions of great amounts and no dependents, own their own expensive homes, take gambling trips, fishing trips, vacations, and then receive Federal commodities intended for the needy, the unemployed, and the low income. I have had nearly 3 years experience in this line and it is pathetic. These same types grab up part-time jobs as well.

For Green Thumb, of which I am proud, also a wonderful program for older folks, I have been on it since October 11, 1978. It is one way of really getting things done. It is very pleasurable to work for and with honest and sincere people and helping their low income too. I for one wish it could be continued.

I hope I have helped and I sent a copy to you before in case the snow was so deep I couldn't get here today, but I made it.

Mr. ROYBAL. Ms. Laffranchini, I am very glad that you were able to get to the meeting. I would much rather hear you read the speech than to read it myself. It makes a lot more sense when you do it.

Now may I compliment the four panelists for telling it like it is. Each one of you had specific points to make. They were excellent. I like the remark that was made by Ms. Fricke when she said that today's older woman also needs three friends, but she rarely has an old husband, there is seldom ready cash and some are even eating dog food.

This last statement, ladies and gentleman, is true. This committee has had hearings throughout the country and on various occasions senior citizens have told this committee that there have been occasions when the social security check is late 1 or even 2 days and that there have been times when they have had to share a can of dog food with their pet.

So we have testimony that substantiates the remark made perhaps with some humor, but it is a fact. She was telling it like it is and the panel has done likewise and I compliment you for that and compliment you also for sticking to that 5-minute rule.

The Chair now recognizes Mr. Shumway.

Mr. SHUMWAY. Thank you, Mr. Chairman. I think this is an excellent panel to, as you say, tell it like it is because they are all in the senior range and have had experience of making due on what can be had and what might be available for them.

I was going to ask Mr. Lund one question. Perhaps it was answered by Mr. Edgmon. I just want to be sure that I have the correct concept in my mind. You referred to outdated income guideline. I think you were going to expand upon that when your 5 minutes expired. You were cut off.

But in his testimony Mr. Edgmon talked about some of the limits that applied to those of you who had sought jobs from the Forestry Service, limits on your outside income. Is that the kind of guideline that you were talking about in your testimony?

Mr. EDGMON. There are a couple of them. Of course in the Green Thumb I think the income that a man or a husband and wife can have is ridiculously low and it turns away some people who, by the way, might only be a few hundred dollars—$500 over—and are in need and can perform a service.

Now as far as the Forest Service, the Forest Service is linked to a quota. To the number of Forest Service people that live in Green-

ville working there, we are allowed two employees under that program.

Mr. SHUMWAY. OK, you also said something, as I recall, about minimum wage. Were you saying that seniors should have an opportunity——

Mr. EDGMON. I am not here talking about the people that want to continue working. Fine, and for those who want to retrain for a high-income job, fine. I know they have the capacity.

But I do know a number of seniors who don't. When I retired I worked 5 days a week. Now I work 7 days a week maintaining a small half-acre, but I would like to work 20 hours a week and I think a number would, to supplement my income. But when I retired in 1975 it looked good, my wife's social security and my social security and my very small—and it is not going to rise—my little pension. It is very very fixed.

Now to those kind of people I think that they have a lot to offer and that they could go into the library, go into the school, go into a hospital facility and contribute a great and needed job and they would be very satisfied with the minimum wage.

Now for goodness sake, I don't speak for people who don't care for the minimum wage but it doesn't worry a lot of good talented seniors to perform a skilled job at a minimum wage working right alongside a young man who is getting four times their pay because we seniors recognize that we got something else at home that this man doesn't have. He doesn't have our social security. He doesn't have our little fixed pension.

So I am not—you know, I am only speaking for that segment of our population who I think would be very pleased with a Green Thumb job at minimum wage, and one of the reasons they would be pleased, as has been pointed out here, is that they know they are performing a useful needed service and they are very pleased themselves.

Thank you for the opening.

Mr. SHUMWAY. All right, just one other question and if you could answer it briefly because my time is up too, would seniors have that same desire to work if there were a policy put in at something less than minimum wage?

Where would the line be drawn?

Mr. EDGMON. I think the minimum wage is kind of insulting but I am also aware of deficit spending in military budgets and so on. I know what is going on in the world and these people here know. Some young people don't know but certainly they know.

Realistically, I think the minimum wage is plenty low enough and again I do think I speak for a number of seniors—like I started to read about the 81-year-old woman. She is so modest it is ridiculous. She performs a very fine, useful needed job as a librarian.

Mr. SHUMWAY. OK, my time is up. Thank you, Mr. Edgmon.

Mr. EDGMON. Thank you.

Mr. ROYBAL. Mr. Chappie.

Mr. CHAPPIE. I will try to adhere to the 1-minute rule, Mr. Chairman. My compliments again to this panel and the others. Hopefully you are either the surrogates or the advocates for the folks in the audience but I would like to comment in that this is one of the

frustrating parts of any hearing. The time is so limited and I know many of you in the audience are chomping at the bit to be heard.

You can be heard. I think both of us—both Mr. Shumway and myself—have 800 numbers and a letter or a postcard is something that will be heeded, so I will urge you to continue that line of communication that we try to provide and hopefully we can give you some of the answers to the questions you may have.

Thank you, Mr. Chairman.

Mr. ROYBAL. Thank you. Again, I thank the panel for your excellent presentations. Ladies and gentlemen, the committee will now recess until 1 o'clock this afternoon.

[Whereupon, the subcommittee recessed, to reconvene at 1 p.m., the same day.]

AFTERNOON SESSION

Mr. ROYBAL. The committee will now resume its sitting. The committee will now hear from panel No. 5. It is made up of Mr. Jim Steinhaus, Jane Brown, Leslie Chace, and Rae Gloster.

Mr. STEINHAUS. Mr. Chairman, Jane Brown is not here.

Mr. ROYBAL. The committee will accept any written text that will be submitted by Ms. Jane Brown and it will appear in the record at this point. The Chair will now recognize Mr. Jim Steinhaus to start off the discussion.

[No statement had been received from Ms. Jane Brown at time hearing went to press.]

STATEMENT OF JIM STEINHAUS, CHAIRMAN, EXECUTIVE BOARD, PLANNING SERVICE AREA 2, AREA AGENCY ON AGING, REDDING, CALIF.

Mr. STEINHAUS. Mr. Chairman, members of the committee, I feel very comfortable here today when I can address the first three committee members out of four by their first names, Howard, Gene, and Norman. Mr. Roybal, I add the word mister to you because I have not met you until today.

Mr. ROYBAL. You can call me Ed.

Mr. STEINHAUS. Ed. For those of you who haven't ever attended an AA meeting, the manner of protocol that they begin, they say, I am Jim Steinhaus, an alcoholic. I think they have a good point. They don't beat around the bush. Today I am Jim Steinhaus, a senior citizen.

I have an advantage over most senior citizens in the fact that my father is still alive and in fairly good health. The only sad part of it is that he is in Texas. I am a long way from the text. Shortly after President Reagan got elected my father was having some serious health problems and he moved to Texas by his own volition and decided to go into a retirement home.

And after he got there he also got mad at the doctors so he quit taking every medicine they had given him. He had thyroid problems, he had high blood pressure, he had cancer of the prostate and he had what you could mention.

And the surprising part was, within about 90 days he was up out of bed and walking around. And now he is so enthused with a Republican President that he is going to stay around for one more

election and he is going to come back to California, and this is a man that is going to be 96 in May.

I don't take politics too seriously. I am a supervisor in Siskiyou County, but I have a title as chairman of the executive board of the AAA and I felt very good about that until I found out the only reason I am the chairman is that I live in the same town where our office with Mr. Riddle is.

And I also appreciate Norm's comment when he was talking about—and I am sure he was not thinking of me when he said those lovely residents of the north State, you know, and I am sure he must have been thinking of these two people. I have been called a lot of things as a politician but never lovely.

I haven't heard any bits of controversy today. We all seem to be of one accord and I think there has to be a fink in every group and I am going to be it today. Maybe I am not as senior as some senior citizens, but I don't think the people of my era are really looking for more money or more handouts. I think one of the most really serious things we want is a job opportunity, and this applies for both men and women.

We will prove ourselves if given the opportunity. I don't think we can look at the private sector to give us anything. The private sector operates on the dollar sign and those of us who have been in business all our lives, we know that.

And the only way the private sector is going to hire senior citizens is if I can produce better than somebody younger. When I was elected supervisor, believe me, I worked at it and I was elected over five younger candidates but I don't think anybody gave me anything. I think I earned it.

Granted, I was disillusioned when I went looking for a job after we sold our business. I looked around and here was a vacancy of supervisor opening, 4 days a month, $1,000 a month, $250 a day, that is almost equal to a janitor in San Francisco. That sounded all right to me, but now I am concerned about the minimum wage, when I think about the hours I put in each week. It just didn't work that way.

The Chinese have an old saying, you give a man a fish, you solve the problem for today. You teach him to fish and you solve the problem for perhaps his lifetime, and I think that is where our emphasis should be.

I don't feel too sorry for a government employee at 65 who has not laid away enough money to take care of his own retirement. I didn't expect anybody to take care of my wife and I. I was in business. I would have liked to have a boat in my younger years to take my kids fishing but I did not have because I laid away what I thought was enough money to take care of me when I got to be 65.

And I think there are thousands of seniors who share that attitude. There are some that are disabled and they are in an entirely different category, but those of us who are still healthy, I don't think we should be employed after 65, and certainly not in the State or Federal level. I shouldn't be entitled to that job any longer after that.

And even if I were, at any part, it should be a part-time thing, 1 day a week, 2 days a week, that sort of thing, certainly not at the expense of my youngsters and I will use another family example.

My children—the youngest one—came home from college one day with the long hair, the long beard, the scraggly part, as you know, and perhaps hadn't had a bath that day either, and he said, Dad, I am going to Canada because his draft number was up, and that will put any parent on the spot, believe me.

And I think—I didn't say anything at first and finally what I told him was, well, son—I won't use his name because I have got a couple and this way I don't have to identify him—I said, son, would you just remember if you go to Canada, some other young man is going to do your job in the service and I would not feel secure today taking a job that I felt belonged to some of our children or our grandchildren, certainly at the age some of us are.

There was probably a day—I forgot to mention this and I think perhaps Gene would appreciate this, the Chinese, the illustration about the fish. My ancestors in Germany, the Huns were fighting against Rome when those people perhaps had it all figured out a long, long time ago. Maybe the State government and the Federal Government could set an example.

For every aging program there is, maybe aged people should be running them. I have problems with a psychiatrist telling an alcoholic, for example, how to live his life, but another alcoholic can tell another alcoholic how and they listen. Thank you.

[The prepared statement of Mr. Steinhaus follows:]

PREPARED STATEMENT OF JIM STEINHAUSS, SUPERVISOR, SISKIYOU COUNTY

Mr. Chairman and Committee Members, my name is Jim Steinhaus, Supervisor, Siskiyou County, I also serve in the capacity of Chairman of the Executive Board of the Planning and Service Area 2, Area Agency on Aging.

I wish to express my thanks for the opportunity to appear before your committee and welcome you to our North State area.

The issues at hand for the elderly and older workers desiring to remain in the workforce, or otherwise retain maximum meaning to their social roles, take on special characteristics in our region.

First there is the contradiction of older citizens willfully or otherwise taking their retirement and opting to relocate in a region of less costly, less pressure-ridden, safer environment with some recreational possibilities, who then discover that they are financially strapped by economic inroads on fixed incomes, strategic errors in financial planning or cost estimates of living away from abundant social services. This is compounded by the realization that relocation has left close personal contacts and known remedies to problems at some physical distance. No experience is more disheartening than witnessing a local resident being forced to move back to where they came from and attempt to reenter the workforce in order to remedy wrong decisions.

Secondly, with the exceptions of the business centers of the region like Redding the town we are meeting in today, growth in population in this region has not been matched by commensurate growth of economic opportunities. The economic sectors in the area are heavily represented by traditional extractive agricultural and pastoral industries, with a lot of hope in the future for greater growth in tourism and "new"industry. Our economies are heavily influenced by business cycles and external forces. Not a particularly encouraging picture for either resident retirees, new arrivals or older workers with a desire to remain in the work force.

To date, the retired or semi-retired elderly have been served in the area by a growing network of health and service programs (nutrition, transportation). Other efforts along the lines of the subjects under discussion today are in their early stages, Siskiyou County, where I live, has had a functioning CETA program for years, which under the creative leadership of its current manager has obtained a multi-county contract to redefine programs and continue to explore new avenues under the Job Partnership Training Act. Prior to this, that same office had begun to compile a now complete Skills Directory of local older workers and retirees, which hopefully will serve as a basis for future employment development along permissible lines for these persons and others in like economic positions and age categories.

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Employment opportunities to date, have appeared in Senior Service programs and through the U.S. Forest Service. Such efforts as they increase, are intended to reintroduce Seniors and older workers into the community mainstreams. It is gratifying that all of them are of local inception and design. I am certain that many of the earning and employment concepts which have been already proposed to your committee, would serve to help older workers and the elderly in our region as buffers, incentives or legal leverage for these people. Raising permissible earning limits would definitely counter rising costs, which have risen much faster for low-end earners than top-end earners. It is interesting and significant to note that the cost of services in my home county of Siskiyou is indexed the same as the San Francisco peninsula, which rather convincingly challenges the myth of living cheaply on, or going back, to the land. Economies which are to be had, for example cutting and splitting your own wood, might be romantic diversions, but are not your routine pursuits of the elderly, whose stamina for such activities may be waning and health more problematical.

Some proposed solutions of a national scale, available through the remedy of Federal legislation, would obviously trickle down and help regional residents. For example, the United States is one of the few western developed nations without dedicated retirement programs. In other words, regardless of who you work for in the public or private sector, you have guarantees of the transferability and integrity of your retirement donations. With minimal acceptable programs, it would not be possible to work 19 years, 6 months and lose your eligibility for a retirement program. It is an insult to human dignity to not have such guarantees protecting a portion of the fruits of one's labor which was set aside to maintain a person after a life of contribution to the well-being and productivity of American society.

Other suggested remedies, unfortunately, are more difficult to imagine or endorse for our particular social and economic circumstances. To a degree, they mirror a similar issue existing nationally. Specifically, the economic base in these Northern Counties are small and/or specialized. Injecting elderly workers into the labor market can very easily deprive new workers of entry-level positions. I do not feel this sort of conflict and friction should be initiated since economies here are very cyclical, and vary seasonally, jobs become scarce for many citizens at times. Example: Unemployment was 28.4 percent last year.

I would recommend great care in planning job incentives, flextime, job-sharing, retraining and the like, so as not to create a dislocation of a younger employee in order to "mainstream" an elderly worker. Diversification and supplementation, rather than substitution, should be guiding concepts in planning employment legislation. An example, which hopefully could emerge from the Siskiyous Skills inventory, would be partnership relations, in industry and commerce, where older workers help to train or retrain entering younger workers, passing on years of accumulated expertise and be rewarded financially for two components of their effort—the contribution of the non-dislocative support activity, training, and the conveyance of specific knowledge. Another concept worth exploring might be formation of consulting service cooperatives where skills could be contracted and partial payment could be made to individuals, while the remainder would be deposited in their name, as personal shares in the cooperative which could be drawn down at a later date. This way, highly skilled individuals may be able to provide expert services, but not be forced to hide earnings. They could draw at a lower continuous rate, not threaten earnings limits. Such a scheme obviously requires legal definitions and protection, as well as eligibility standards. In our area such a program might stand to make very good use of highly skilled retirees from the military, government and high tech industries in California, who have moved North. May I suggest Siskiyou County, my region, for a pilot project?

Lastly, I strongly support older Americans' participation in a wide variety of social and civic roles. This condition may well be a direct outgrowth of security engendered by programs already discussed and resultant attitude changes about older workers both held by themselves and others. In our County seat of Yreka, we have an active group of seniors running a community access T.V. channel, which has gained credibility and a loyal following. In my home county, many commission and special board seats are held by the same elected officials over and over again. Access of these Boards to more citizens could well provide highly meaningful and important roles for persons with shil-laden backgrounds and the desire to serve.

In my own case, election to public office has opened an ever-expanding scenario of extremely interesting challenges, issues to debate and resolve, and responsibilities to meet.

In closing, I would like to leave you with the following: Our local region here is undergoing minimum growth by State comparison, which is satisfying some older

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citizens by giving them low cost, low pressure security, but capturing others in an upward cost spiral. Specific self-help efforts to-date, have guaranteed and satisfied basic needs of these citizens. More expansion is needed beyond basic needs. The region generally is a patchwork of social circumstances which can make use of varying state or national programs designed to keep older workers close to the main currents of society. Critical to success is watchfulness that one man's economic opportunity is not the undoing of another. The latitude, to creatively form and reform programs at the local level, is useless unless financial support for applicable employment programs is assured.

Mr. ROYBAL. Thank you very much. The Chair now recognizes Leslie Chace.

STATEMENT OF LESLIE CHACE, EXECUTIVE BOARD, PLANNING SERVICE AREA 2, AREA AGENCY ON AGING, ALTURAS, CALIF.

Ms. CHACE. Thank you, Mr. Chairman, and members of the committee. Modoc County is a rural, sparsely populated area. The county seat is Alturas with a population of 3,000 and there are also a number of other small towns of up to 500 population. There is no public transportation in Modoc County. Right now there is also no public transportation out of Modoc County. Our only means of transportation was the Greyhound Bus and they are still on strike.

My testimony is based on an interview I conducted locally. I use this as an example of the older person's need for independence, the desire to maintain activity and community involvement, the continued use of valuable worktime experience, and the high cost of living. More importantly, this case history shows the frustration of battling age discrimination.

Mary is a healthy, active 68-year-old woman and has an outstanding record of work experience and knowledge, 28 years total of bookkeeping and accounting—7 years as a hospital bookkeeper, 9 years with a major bank, and 8 years with an automobile dealer. The automobile agency closed and she was left jobless at age 65. She has never had difficulty securing employment until 3 years ago so her concerns about meeting car payments, mobile home payments, rent, insurance, medical bills, and general living expenses were not overwhelming.

In 1980 when she found herself without a job through no fault of her own she routinely applied for every job vacancy that she was qualified for. These included two major banks, medical and dental offices, the senior citizens center, the hospital business office, and several other employers. She did not apply to Modoc County, the city of Alturas, the U.S. Forest Service, or any other Government agency. Her reason was that she felt she would not be considered for employment because of her age.

However, I feel that this is perhaps an image that has been portrayed rather than a reality. I realize that locally in our communities there are a number of elderly people working for these three agencies, but I think it is necessary that we increase positive public advertising to overcome this image if it is actually a reality in these communities.

At least six of the employers she applied to hired younger women to fill the vacancies and some have very limited accounting, bookkeeping, and previous job experience. Assessment of the reasons for not hiring this older worker show age discrimination and overqualification as probable reasons.

The advantages to hiring the older worker are many: Job stability, experience, maturity, increased flexibility in scheduling work hours, less time off for personal and family reasons, and keeping the individual alert, active, and involved with the community.

This woman felt that there were two important advantages to hiring the older worker, the need to only provide a supplemental income. Many workers in this age group are satisfied with a moderate income and are not primarily concerned with high salaries. Also, with continued employment, social security payments will increase to help defray living expenses.

For the past 3 years this older worker has had to worry about monthly house payments, supplemental health insurance premiums, transportation if she cannot meet her car payments and the car is repossessed, thereby making it impossible to do further job search.

It is very possible that she will be unemployed once again in the near future because of the instability of her employer's business. She has faced many problems finding employment in the last 3 years and I believe that it is doubtful, because of her age, that she can secure employment the next time.

I question how many older workers there are that won't even persevere this hard to find a job. Thank you for allowing us to present this testimony.

Mr. ROYBAL. Thank you. The Chair now recognizes Ms. Rae Gloster. Would you please proceed?

STATEMENT OF RAE GLOSTER, DIRECTOR, NUTRITION CENTER, ALTURAS, CALIF.

Ms. GLOSTER. Mr. Chairman, members of the panel, thank you. I am Rae Gloster, county coordinator for Modoc County, the most northeastern county in the State of California.

My concerns are for the rural elderly. Increasing numbers of seniors are relocating into this northern part of California and population projections show a significant growth of seniors in the future, placing additional strains on existing services. The economy is effecting the elderly who are trying to survive on small fixed incomes. More than 70 percent of the elderly population is low income and the economic outlook will not improve significantly for quite some time and, in fact, appears to be worsening. This is particularly bad news for the elderly and many in this situation are neglecting their nutrition and health needs. In view of continued funding cuts and rising costs, the elderly are being reduced below poverty level and programs are being prioritized. For the elderly it is becoming a matter of survival.

Nutrition sites are often far too distant for many seniors to travel. Transportation is provided where possible; however because of the enormous area covered, transportation is inadequate. Very few specialists are available in some areas and the elderly must travel as much as 100 miles to reach the nearest specialist and/or hospital. There are several small communities which are over 1 hour driving time from the nutrition site. Elderly people who are living in isolated areas are not receiving home delivered or congregate meals because of the distance and the limited funding. There

is a great need to expand service areas for home delivered meals which, in Modoc County alone, ranges from 2 to 25 miles one way.

Transportation has been recognized within Modoc County as one of the most important needs of its elderly. Services and businesses are great distances from small towns in Modoc. The geographic area, climate, population, and the economy create special situations unique to this rural area.

Projects which provide limited transportation to sites can barely keep up with the rate of inflation, maintenance and insurance and the elderly on fixed incomes are even less able to afford the high cost of automobile ownership. The outlook for the future seems to be more of the same. Costs continue to rise, causing a greater strain on individuals and programs and the need for transportation services continue to increase. Due to the rural problems it takes a great deal of resourcefulness just to stay in operation on a day-to-day basis.

Rising costs of health care, distances to health care centers and decreases in assistance have made the area of health care a more important need. Modoc County has no public transportation and for the elderly on a limited income the expense of owning and maintaining a vehicle is often prohibitive. Although in-home services are badly needed in Modoc County, funding is not adequate to provide that service. Such services as personal care or outreach are not possible at the current level of funding. The increasing numbers of seniors endeavoring to move from crime and polluted areas, together with increased longevity and rise in certain age groups, results in a larger senior population.

Thus projections for the future indicate that there will be a greater need for in-home services to assist the elderly in prolonging their personal independence. The costs of health care have become so high, together with the cost of medicare or medical that many seniors cannot afford the expense and a greater barrier has been created for their well-being. For a rural family community oriented day care facilities and foster care programs have low priority.

Increasing costs have created a serious need for the elderly to find affordable housing. Rising housing and skyrocketing utility costs are taking so much of fixed incomes the elderly often have to sacrifice in other needs, such as nutrition and health.

Employment of elderly in rural areas is most important. Modoc County has no direct funding for employment of seniors and there is a lack of work opportunities as seniors are often the last to be hired. Changes in technology have made certain professions obsolete and some elderly find their expertise outdated in finding work. Fiscal limitations also limit certain job possibilities for the elderly and again the distance to employment is often prohibitive. The Green Thumb program could be beneficial in placing needy elderly at senior centers and at nutrition sites, but unfortunately we are seeing less of this assistance in our area.

Unemployment currently is well over 10 percent in Modoc County. Health care, nutrition, and transportation are top priorities for needy rural elderly.

Thank you.

Mr. ROYBAL. Thank you very much.

I would like to start off the questioning with Mr. Steinhaus. I may have misunderstood, but I am under the impression that you told the committee that you didn't think that anyone should be entitled to a job after 65, perhaps on a part-time basis. Will you clarify?

Mr. STEINHAUS. I find no problem with mandatory retirement at 65. Maybe I should word it another way.

Mr. ROYBAL. And then your testimony is that you find no problem with retirement at 65 and you believe it should be mandatory?

Mr. STEINHAUS. Again, I would probably go that route and if I might just digress a minute. We have a term up in our county we call double dippers which makes people very unpopular, retired Federal people, retired military, retired State workers come into our job market and compete with our young people again.

And believe me, I don't think this is right. I don't think—somehow or other that goes against my grain.

Mr. ROYBAL. Well, there are many in Congress that would agree with that. However, to go back to your testimony, I think you said something to the effect that you wouldn't take a job from someone who was younger.

Mr. STEINHAUS. True.

Mr. ROYBAL. But still you ran for supervisor and defeated four other candidates who were younger.

Mr. STEINHAUS. But fair and square in the marketplace. Nobody gave me that job because of my age. I didn't stress my age and say, hey, I am smarter than you are or I have lived longer, that type of thing is what I am referring to.

Mr. ROYBAL. I understand but I think that the presentations that have been made by your own colleagues—members of your own panel—seem to disagree with that contention.

Mr. STEINHAUS. That is why I called myself a fink.

Mr. ROYBAL. Well, Ms. Chace has, I think, taken the stand that an individual, if he is capable, in good health and so forth, that that individual in many, many occasions, too often, cannot secure employment solely because of age.

It seems to me that her position is that a man or a woman, regardless of age, as long as they are capable, should be able to compete in the open market for employment. I think that is the position that Ms. Chace has taken.

Ms. Gloster had also taken a similar position. She did tell the committee that the elderly are being reduced beyond poverty levels. That is a general statement that also includes the matter of employment.

What I want to get at is your true position with regard to a senior citizen seeking employment after the age of 65.

You told the committee that you have no problem with mandatory retirement at age 65. That is a matter of legislation, let us say. But you personally, do you feel that anyone in this audience, including myself and other members of the panel, should retire at 65 simply because we reached that age or can anyone, in your opinion, continue to work beyond the 65 limit because they are capable?

Mr. STEINHAUS. I have no problem with the mandatory 65 age retirement. I think that if that has given you 65 years of healthful

bodily energy to do what you want to do, I think within that framework of time, most of us can manage.

I do not think you should be guaranteed 40 hours a week or whatever the annual stipend is to compete with the younger people. When we do this, when we guarantee this to older people and make it easier for them or subsidize them, we are taking the jobs from our children and they grow up on welfare or some kind of assistance and what can be worse than this?

Mr. ROYBAL. Well, Mr. Steinhaus, I happen not to agree with you. I am just going to cite one particular example. In the Congress of the United States and the House of Representatives there is a man who is a Member of the House. He is 83 years old and I don't know of any two men in the House, regardless of age, that can keep up with him over a 12- to 15-hour workday and that is Claude Pepper.

I take the position that if an individual is able to work, that there should be no discrimination against him because of work.

Mr. STEINHAUS. I don't want to extend our time either. One thing, though, Claude Pepper has very ably demonstrated to people that he is capable and I have no problem with that, but I don't want him to be there just because he is 82 years old. I want him to be there because he can still produce.

That opportunity is still there in private business for me.

Mr. ROYBAL. The testimony that has been presented to this committee today has been along the lines that they are seeking an opportunity to serve because they are capable, not because they are senior citizens.

The Chair now recognizes Mr. Shumway.

Mr. SHUMWAY. Thank you, Mr. Chairman. I think it is true, Jim. You have ejected an element into the hearing that perhaps we need. I mean, it is good that we look at different sides of the issue. And I think as you describe your own situation and the reason that you feel like you do I think perhaps you are what we would like to think of as a typical example of a successful life in the American capitalistic system. You provided for yourself, your family, and was able to provide for your retirement in the process, and now it is possible for you to be very independent. I admire that.

But at the same time I think there are some people in our society who circumstances beyond their control—maybe they have had serious health problems in their family or other catastrophe—they simply haven't been able to achieve the kind of success and independence that you have.

And so when they come to that age 65 or perhaps age 70 they find that for income purposes they need to go out and do something and they look for those opportunities.

And I guess that my feeling here, that I got from this morning, is that we should somehow, for those who want it, try to provide the opportunity. I am not in favor of mandating it or making it universal for all seniors.

Each member of that senior society has to decide for him or herself, but to the extent that we can ease the choice for those who want to be in the job market, I think that is what we are talking about in this meeting and I take it you wouldn't really disagree

with that. I just think you are coming from a different vantage point and I appreciate that.

Mr. STEINHAUS. That is true. One thing, I think we rob our youngsters, though. I can remember a time in my life, one of my first permanent positions, I sent perhaps $100 or $150 home and my mother, God rest her soul, bought some false teeth with it that she had been wanting for years and years but hadn't been able to afford it.

That is an experience I will never forget. You, as a member of the Mormon Church, if I am correct, your church people take great pride in helping their own. A lot of churches do. We rob our youngsters of that.

For example, perhaps on a lesser scale, I have cut out my own youngsters because I do not need their help but I think it is important that youngsters feel that way.

I wouldn't go so far as to do like the Eskimos do, but when an elder in the Eskimo community feels he really is no longer productive, he goes out and meditates in the snow somewhere and then they pack him away the next day. That is the way they solve their problem. I would not go that far.

Mr. SHUMWAY. Ms. Leslie, the thrust of your testimony—and I found it very touching, your example of Mary and the information about her that you shared with us, were any of the problems regarding her case history and the fact that she was unable to secure employment in Alturas or Modoc County, that related strictly to the fact that Alturas and Modoc are rural areas?

Ms. CHACE. These jobs that she applied for were within the city of Alturas and she lives within the city limits.

Mr. SHUMWAY. So transportation was not a problem; is that correct?

Ms. CHACE. Transportation was not a problem. However, without employment she would have had to have her car repossessed and then it starts the cycle going of not being able to job search and not being able to even get clear across town.

We have a very limited transportation with the senior citizen's bus but it is extremely limited.

Mr. SHUMWAY. Was there anything else in her situation, then, that would apply to her just because she happened to live in a rural area as opposed to someone who might live in downtown Redding or San Francisco?

Ms. CHACE. No; I don't think it is specifically a rural problem, but the transportation—somebody else perhaps could get a job if there were public transportation but everything had to hinge together for her.

Mr. SHUMWAY. I think Ms. Gloster has illustrated well the problem of transportation in rural areas. No doubt it does pose a hardship in Mary's case, but in some cases because they simply can't drive perhaps?

Ms. CHACE. That is true.

Mr. SHUMWAY. And they can't get to the job and consequently they lose the opportunity. Thank you, Mr. Chairman.

Mr. CHAPPIE. No questions, Mr. Chairman.

Mr. ROYBAL. I would like to thank the panel for very excellent testimony. This is one panel that had just a little bit of controver-

sy. You didn't agree 100 percent. We like to hear that controversy and you can be assured that we will take both sides under consideration. Thank you very much.

The next panel will be made up of Mr. Neal Phillips, Mr. Bob Koning and Julie Patay and also Glenn Wasson. Will you please take your respective seats?

I would like to ask Mr. Neal Phillips to start off the discussion. Will you proceed, Mr. Phillips, in any manner that you may desire.

STATEMENT OF NEAL PHILLIPS, CALIFORNIA SENIOR LEGISLATURE, ALTURAS, CALIF.

Mr. PHILLIPS. Mr. Chairman, gentlemen, it is a real pleasure for me to be here today to speak before you honorable people from Washington, D.C., especially Mr. Gene Chappie and Norm, I have had the pleasure of meeting them.

We have had excellent representation for the last 32 years that I have been in government and I feel they are doing a good job.

At this time, for the record, my title is senior senator Neal Phillips, Alturas, Modoc County. I represent Lass, Modoc, Shasta, Siskiyou, and Trinity Counties. It only covers 25,000 square miles. This is larger than nine States in this Nation.

We are very fortunate to have 36,000 sexy wonderful seniors in PSA II and there has been a very important increase in our area, when you consider working from Lass to Modoc clear over to Trinity, through Shasta with seniors moving in every month from southern California.

I like southerners because I am a rebel myself but I think one of these days we are going to have to put a Mason-Dixon line up because we are getting more people than we can take care of.

People who have lived in PSA II for over 10 years have usually worked in the areas of agriculture, timber, ranching, railroad services, and government. For some seniors there is no such thing as retirement. If you happen to be a farmer or a rancher it is a pretty hard job to quit since the cattle and the land cannot tell when you have reached 65. It is almost economically impossible for them to quit. With the ever-increasing cost of living seniors are finding that their retirement incomes will not be sufficient. They must continue working in order to survive. There are some seniors who retired only to find that they could not live on fixed incomes and they had to find new jobs, often starting out in a low-paying system. Trying to reenter the job market after 60 can be both frustrating and futile. Seniors face job discrimination and often overwhelming competition. The unemployment rates, as of a year ago, within PSA II are among the highest of the State. Trinity County—I think it has improved—had the highest rate, reaching 26.9. Thank God for Modoc County, it only had our lowest average of 8.1.

Gentlemen, off the cuff, to me I think someone like Supervisor Steinhaus, I have had the pleasure of visiting 19 sites since I have been elected to the senior senate. Oh, and I left one very important position off. I am also a liaison advocate because I was supposed to get some traveling money if I was appointed to that. They never seem to come up with any funds but I also wear that hat too.

The position that I have, I really feel honored to serve the people that I do and I have been to Greenview, I have been to every place except Happy Camp and Hayfork and had the pleasure of meeting LaVerne, the young lady that sat over here today.

You know, I know how young she is. I almost made the cardinal sin. I know how young she is and she is a little bit older than I am but that lady just keeps Weaverville AAA stirred up so that they all think young.

As long as I have the floor and I know the bell is going to ring pretty soon, let's quit thinking of older Americans. Let's think of younger people and someone previous to me, prior to me, said let's have all the senior citizens do all the work and the heck with the youth. That is a terrible mistake.

We have a young lady—a sexy young lady—is our secretary in Alturas. She gives those old boys a charge every day. We do need our young people to work with the older seniors.

I wish that you Congressmen could have been with me at an Indian site out of Yreka—Greenview I think is the name of it. I couldn't believe it. This young lady about so broad, Indian, and she just hugged me. My wife always goes with me, darn it, but she says, you are the first dignified or honorable person—I thought she was going to ask me if I had Indian blood but she didn't—that has ever took the effort to come over and check our food and see if we give our seniors loving care and to find out what we needed.

Gentlemen, food—nutrition—to me is No. 1. I have moved out two other things and added sociability and togetherness. Thank you, gentlemen.

[The prepared statement of Mr. Phillips follows:]

PREPARED STATEMENT OF NEAL PHILLIPS, CALIFORNIA SENIOR LEGISLATURE, ALTURAS, CALIF.

The geographic character of PSA II is of great importance in understanding the benefits and constraints of any plan or service within the area. Each of the five counties in PSA II has high mountain ranges with deep valleys. There is limited flat farmland in each county. The total area covered in square miles is 25,000 which is larger than nine states in the nation.

The climate presents a significant factor in planning within PSA II. Summer temperatures reach 118 degrees with an average high of 110. Winters are characterized by temperatures typically below freezing with an average of 18 degrees. Summers are usually hot and dry with infrequent thunder and lightning storms. Winters are moderately wet with rain, snow, frost and ice.

The geographical and climatological conditions are possibly the most important elements of PSA II, affecting population, transportation, economics, housing, employment, and all areas of providing human services. PSA II, as described earlier, is rural and remote. It is so large that driving from west to east in the best weather conditions takes at least 8 hours. From north to south takes a minimum of 3 hours. When winter snow, ice, fog and rain cause hazards, the roads are often impassable. PSA II has unusual ethnic characteristics compared to California as a whole. The State has a minority population of approximately 25 percent, while PSA II has only 4 percent. According to the 1980 census, our largest minority is Native American, followed by Mexican Americans. We have California's largest Indian tribe.

There are 36,000 seniors in PSA II. There has been an important increase in the number of seniors within PSA II during the past 10 years. Much of the growth is due to seniors moving from large cities into the area to retire and enjoy the rural lifestyle and recreational attractions. The beautiful rural area often attracts retirees who may not anticipate the problems of living in an isolated area. Because there are so few people, as compared to the cities, there are also fewer services. For some PSA II residents, it takes over 2 hours to get to the nearest hospital and specialized medi-

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cal care might be another 2 hours driving time. It takes a great deal of adjustment for some people to adapt to the rural lifestyle.

Seniors who have lived in PSA II for over ten years have usually worked in the areas of agriculture, timber, ranching, railroads, services, and government. For some seniors there is no such thing as retirement. If you happen to be a farmer or rancher, it's pretty hard to quit since the cattle and the land cannot tell when you have reached 65. For others, it's economically impossible for them to quit. With the ever increasing cost of living, seniors are finding that their retirement incomes will not be sufficient, and must continue working in order to survive. There are some seniors who have retired only to find that they couldn't live on their fixed incomes and have had to find new jobs, often starting out in low paying positions. Trying to re-enter the job market after 60 can be both frustrating and futile. Seniors face job discrimination and often overwhelming competition. The unemployment rates within PSA II are among the highest in the state. Trinity County had the highest rate, reaching 26.9 percent, and Modoc County had the lowest with an average of 8.1 percent.

Economically, the situation for seniors has been steadily declining especially in the past three years. This fact is bad news for many seniors on very low fixed incomes, there are limits to the ways they can cut back. PSA II has targeted it's services to seniors who: Number (1) have the greatest social/economic need; Number (2) are isolated and/or alone; Number (3) are of minority groups with unique needs; Number (4) need support to maintain an independent fulfilling life.

The nutrition program in PSA II has been successful in providing both limited congregate and home delivered meals. There are currently 19 nutrition sites in PSA II serving an average of approximately 750 meals per day. The 19 nutrition sites are operated by 7 separate nutrition projects. Each of the projects serve rural and remote areas. Nutrition sites are often far too distant for many seniors to travel. Transportation is provided where possible; however, because of the enormous area covered by sites, transportation is inadequate. There are several small communities which are over an hours driving time from a nutrition site. Seniors who live in isolated areas are not receiving home delivered meals because of distance and funding.

As previously stated, the size of PSA II is enormous. The 25,000 square miles are mountainous, valleys, plains, forests, towns. The area is larger than 9 separate States in the United States. Covering these distances and elevations in any kind of transportation system is quite an undertaking. Certain small towns are relatively isolated from any type of service. We have yet to come up with a "tangible or intangible" method of solving our georgraphic problem.

PSA II is definitely rural. Only one city, Redding, has a population over 45,000. The remainder of the area has small towns scattered throughout. The majority of towns have a population count of less than 1,000. Distance between towns is measured by hours. It can take as long as 2 hours for residents of some towns to drive to a city which has a hospital or other services and that is when driving conditions are optimal. With such small population pockets and few programs it is impossible to serve everyone. The current method of funding specific types of programs in nutrition and transportation do not allow for innovative practices such as home prepared meals. The economic situation is PSA II is becoming more critical eacy year. Timber industries are folding and businesses are finding it increasingly difficult to survive. County revenues are decreasing and the demand for services is at an all time high. Local governments are being forced to bear costs which were formerly supported by State and Federal government. Transportation is one of the most expensive services for a rural county to provide due to limited ridership and distances to be covered.

Geographic and climatological conditions in PSA II add a constraint in the provision of services. Vast rural and mountainous terrain presents problems in service delivery. Extreme winter and summer temperatures inhibit access to I & R services. Increasing numbers of seniors are moving into the North State to retire. The population changes such as increased longevity and rise in certain age groups result in a larger senior population. Projections for future change indicate that there will be a larger need for In-Home Services to assist people in prolonging their personal independence. PSA II does not have sufficient funds to allocate any funding towards senior housing. It is need of many seniors; however, there is not enough funding to justify a program of such scope and effectiveness. Many seniors in PSA II live in older frame houses with little or no insulation, so that utility bills of $200-300 per month are not uncommon. Resources: Few resources exist providing housing assistance. Funding has been cut in most housing related programs and the AAA doesnot have sufficient funds to provide direct housing assistance.

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Mr. ROYBAL. Thank you, Mr. Phillips. The committee now will recognize Glenn Wasson. Please proceed, Mr. Wasson.

STATEMENT OF GLENN WASSON, SUSANVILLE, CALIF.

Mr. WASSON. Mr. Chairman, distinguished panel, Mr. Steinhaus was relatively quiet. I could not send in a report—a written report—because everything that came out on paper was so negative—absolutely negative—this is in line—the American Indian is the largest minority in northeastern California and I am sure you are aware of that and we have a rural contingent up here.

But now we have got to keep the microcosm going and when you go to Montgomery Creek, Calif., that is rural. If you take that whole big road, 13 miles of dirt, out to the Montgomery Creek Rancheria, you are rural. You see the non-Indian people consider themselves rural in these little towns.

Yet out of these little towns, 13, 18, 23 miles in Fort Bigwa out of Alturas is what—70-some-odd miles, you are talking rural. Not this rural, but I mean rural and that is what the Indian, especially, is faced with up here and job competitiveness, which Mr. Steinhaus spoke of, he touched a very interesting point because where there are no jobs, or very very few, who is entitled to the job, the father or the grandfather?

And again, the American people and Congress make a big mistake in stereotyping people. You know, everybody is stereotyped. It is lucky today is Thursday because if it was Monday I would be drunk, right? I am an Indian.

You see, that is what everybody assumes so you have got to take one very important question back to your colleagues, especially on your committee and the whole House of Representatives, that if a minority worker could not find work in the usual chronological work age, how in the hell is he going to find a job if he is a senior—considered a senior?

Can you answer me that? And each one of you sitting out here from the various counties, how many Indians are employed in that Green Thumb? How many Indians are employed in all the other things? Using an equity factor, would that be an equitable number or a proportionate factor, as they use in the union agreements.

No, it isn't. It is really out of proportion and now we are faced with something else. We have an influx of new people coming in. Each one of the speakers have made reference to them. Now the people who are coming in to Lasky County normally come from Los Angeles or the Los Angeles area.

They have worked for private contractors and they have a reasonable retirement plus their social security. Their income is far larger than the local norm and it is forcing the local people—if this is competitive—that they are definitely not equal with the people that are coming in job-wise because, again, if you use your statistics—this came from the Halls of Congress by a Department of Labor force—the most unemployable person in the United States today is the American Indian woman over the age of 50. That is a Department of Labor statistic given to the Congress. I read it in the Federal Register.

This is what we are faced with here, the largest minority that can't work. We are in a rural area but the Federal lands that they are talking about are so remote from what you call rural that they can't even—90 percent of the Indians in those areas cannot participate in the congregate meal settings because of the transportation factor. They cannot make it to that congregate setting.

And conversely, the provider cannot send the meals out to that area because of the distance or the road, so you have an unserved group of people there and I know that we are looked after by our Great White Father back in Washington called the Bureau of Indian Affairs, who do not recognize a whole lot of people in northeastern California.

As I sit before you I am not an Indian. In Washington I am known as a legal nonentity. It sounds similar to Hitler's definition of a Jew, but that is what we are called. In northeastern California 25 percent of the Indians are legal nonentities. That is, the Government does not recognize them as an Indian. Therefore the Indians do not receive any Indian money, quote, unquote.

I have never received 1 cent from the U.S. Government for the fact of being an Indian.

Mr. ROYBAL. All right, the next member of the panel is Bob Koning. Mr. Koning, would you please proceed in any manner that you may desire?

STATEMENT OF ROBERT A. KONING, SILVER STRAND ASSOCIATION, REDDING, CALIF.

Mr. KONING. Being in the 80-year range—age range—having worked with seniors for 14 years, of course I have studied and have formed quite a number of opinions. I want to make some recommendations to this panel, whatever time I have—can you hear it?

First of all, I believe that seniors should be the first ones that should be recognized as being the ones who should have the jobs if they are capable. That is the first thing I want to say. I think that people should be judged according to their ability to function, not whether they are 80 years old or whether they are 40 years old.

Also, looking over the employment situation, I find that the people between 50 and those that reach 65 or 62 when they receive social security are the ones that need the most work. You will find that that age range is a group of people that are in limbo.

Most of them have been discharged from a charge, terminated for some reason. Maybe it was because they were too old or for some other reason, but they need the most attention.

I don't think there should be an age limit for retirement either one way or the other. If a person is able to function at any age, that they should be given preference.

We have at the present time—it has been mentioned here before—we have the Green Thumb program which is an excellent program, only it is limited, and it takes a lot of people who want a job—just a part-time job or something to do to be active and it helps a great deal.

We also have the Foster Grandparents program and there are 72 in this city at the present time, which is a tremendous excellent program, and these people who are the foster grandparents are just

delighted to be able to do something, and it helps a little bit in their finances as well.

But the main thing of employment is that people become and remain active. We have the retired senior volunteer program and this is very limited. And I know of hundreds of senior citizens who are volunteers and they remain active and the only thing is that the Government, or no other agency, in some cases, do not give them out-of-pocket expenses.

Also the volunteers and those that work the most for senior citizens are not being recognized. They are just simply working day in and day out for seniors. They spend their money for traveling. They join commissions, advisory councils and many other groups and they have to furnish their own transportation and their own costs and expenses in many cases.

It happens in this PSA that the advisory council members are paid for their transportation and for meals if they have it, but that is all they are getting out of it and they don't complain about this. They want to do the job, they want to remain active, they want to be in the scene of helping seniors and make decisions, and this is very important.

Now one of the problems is that some of these organizations are not getting enough money so they can put more people to work and something should be done about that. I think that I would recommend to this committee, first of all, that in each PSA there should be someone who handles the unemployment situation for senior citizens.

They should get in touch with all the seniors who want a job, have a good record of them and he should be the person—or she—that goes out to the industry and try to make arrangements whereby they will employ these people.

He or she should be a salesman whereby he can sell them on the idea that they are going to save money and they are going to have better production and so forth and these are things that I think are important because at the present time if the senior wants to get a job he doesn't know where to go.

Sure, there is a State unemployment office but their job is mostly to take care of the myriad number of people they have there that are begging for jobs but I think that somebody should be delegated within the PSA that should take care of the seniors as well as the employment of any other condition that is necessary for it.

Mr. ROYBAL. The gentleman's time has expired.

Mr. KONING. Thank you, I didn't hear the bell.

[The prepared statement of Mr. Koning follows:]

PREPARED STATEMENT OF ROBERT A. KONING, SILVER STRAND ASSOCIATION

Thanks for being invited to give some input for the Committee's consideration. As an 80 year old, and having worked with Seniors for 14 years, I have heard many questions and few good answers as to the problem of Senior employment. First, the greatest concern should be for those between the ages of 50 and sixty-two to sixty-five. Those who are nearing sixty are the most in need of assistance. After they draw Social Security they have less financial problems. What is important is that the people remain active. This can be accomplished by their own initiative and by participation in some existing programs.

The Green Thumb program is an excellent program but is too limited and, in my opinion, not well administered. The rules and guide lines are changing continuously and, like many other Senior programs it has too many young people telling Seniors what to do. Also, it is a title V program and is not coordinated with other work and volunteer programs.

The Foster Grand Parents program is very excellent and, especially in our locality, shows what can be done when properly administered.

The retired Senior Volunteer Program (R.S.V.P) could be the key to at least a partial solution to keeping Seniors active. Our experience has shown that if out of pocket expenses were paid to volunteers under proper administration and guide lines, thousands of qualified and capable volunteers could be obtained to do the myriad of jobs that now are being neglected.

The programs I mentioned need constant overseeing and should be administered by a local office instead of by individual offices remote and where the cost of communications and supervisions is too costly and inefficient.

Our opinions and imput are based on the fact that we are located in the most rural area in California and, as an example, when I attend a meeting as a member of the P.S.A. II Advisory Council I travel as much as 200 miles. I feel that the various acts that are for the betterment of the lives of the Older American should contain the flexibility to take care of special circumstances.

I am acquainted with hundreds of Seniors who are donating their time and resources serving on commissions and committees. Many of these are losing interest because they are not given any recognition and reimbursement for out-of-pocket expenses.

I believe coordination, consolidation, some remuneration, and more emphasis on placement would take care of the efforts that your committee is trying to accomplish.

Mr. ROYBAL. The Chair now recognizes Ms. Julia Pataye.

STATEMENT OF JULIA PATAYE, PLANNING SERVICE AREA 2 ADVISORY COUNCIL, ADIN, CALIF.

Ms. PATAYE. Thank you, Mr. Chairman, Congressmen Shumway and Chappie, and Howard Riddle.

In the flyer that Congressman Shumway sent to us publicizing the hearing here in Redding of the Select Committee on Aging, he brought out the fact that he represented the most rural district in California and that is what it is all about, the rural area.

I may have to correct one notice that I am from Redding. I don't like to be in that kind of an urban area. I am rural. I live in Adin and I think that Adin is so rural that half the people here don't know where it is.

When the 33 PSA areas were formed, someone manufactured the word rurality and the area we represent in PSA II, Big Valley, is the best example of rurality that anyone can find.

Big Valley consists of four small towns, Adin, Bieber, Lookout, and Nubieber with a total population, including the surrounding areas, of a little over 1,500 inhabitants. It is surrounded by mountains, with the main artery through the valley, Highway 299, where we depend on Cal-Trans to keep the two passes—Big Valley Mountain and Adin Pass which is 5,400 elevation—open in the winter and prevent us from becoming completely isolated. It is 35 miles from Fall River and 40 miles from Alturas, for medical facilities, and approximately 100 miles to the nearest cities of Redding and Klamath Falls. There is no public transportation and seniors are dependent on their own physical or financial abilities to drive, or they must rely on the kindness of their neighbors or volunteers.

There is a limit to volunteer help. There are a great many seniors who are still very active and would readily fit into the employ-

ment opportunities as outreach workers if there was financial help. Because of shortage of funds our Big Valley area has been without a mandated outreach program for over 2 years. The volunteers are limited in their work because there are no funds to cover expenses such as mileage.

The senior volunteers are on fixed incomes and inflation is influencing the amount they can spend in carrying out their services. All seniors are feeling the effects and there is no foreseeable remedy.

Because long-term home care has become a top priority for seniors with the aim to keep them out of institutions, outreach programs should have top priority, too. Outreach covers homemaking services, information and referrals, telephone reassurance, et cetera. There should be funds to compensate for these services. We have people willing and anxious to give these services but we don't have the money. There is a limit to the use of your private funds for volunteer work even if your income is above the so-called poverty level.

Mental health will become a problem. Those individuals living alone without outside contact become recluses and physical and mental deterioration results. Outreach is a preventive health service.

Job opportunities in Big Valley are nil. There is much unemployment. The younger person gets first preference. There is still prejudice about hiring the elderly. We are too far from job training facilities and our areas are too small and isolated to obtain the training locally.

But our active older Americans are faced with one very great barrier to employment. What is adequate requirement income? How can we reach this adequate income when the arbitrary cutoff figure—in other words poverty level—prevents any person to be assisted with extra Government funds that will raise them over that level?

Thank you.

Mr. ROYBAL. Thank you, Ms. Pataye. I would like to compliment the panel for very excellent testimony. Every one of you have touched on various subject matters of importance in rural America. However, Glenn Wasson has presented testimony that is beyond rural America and has indicated that the problems of the Indian community are distinct.

I think that I tend to agree with that statement in very general terms. Now this committee has had testimony presented to it by the Indian community in California, in Arizona, and New Mexico and we find that the problems in these three States, at least, are the same.

Mr. Wasson, this committee is very friendly to the Indian population. We agree—or at least let me put it this way—I agree with your opinion of the Bureau of Indian Affairs. I was at one time on the committee that had dealt with that department and I think that you and I can agree on many aspects of those things that that Bureau is not doing.

But directly concerning this committee, I would like to have you send this committee a list of five recommendations—and you will start out your letter by saying, I hereby submit the following five

recommendations, recommendations that will make it possible for the Indian community of the United States to be included in the inner circles of rural America.

Now I am not asking you to do it right at this moment but I hope that you can write to this committee——

Mr. WASSON. Mr. Chairman.

Mr. ROYBAL. Yes.

Mr. WASSON. You cannot legislate morality. You cannot legislate against prejudice. You see, in this part of America 100 years ago there was a lot of bloodshed. To the north of here there was the Mohawk. To the east of here they had the Piute. Just to the north of us the Pitburgers were never too quiet either.

There was a lot of hostility between both the Indians and the non-Indians. This persists to this day. A lot of our job descrimination is not because the Indian is a minority. It is because it was the Indian who killed my grandfather or the Indian who burnt down the ranch or stole the cattle or something like that.

Mr. ROYBAL. Mr. Wasson, I realize that we are not going to legislate morality or——

Mr. WASSON. Those are the reasons for unemployment.

Mr. ROYBAL. Nor do I believe that we are going to change attitudes simply because we are going to correspond with one another. What I am saying is, setting aside all the prejudice and all the things that are now existing, you now have a committee before you, a committee that is made up of, incidentally, of 60 individuals, men and women, who were not assigned to the committee. They requested to be assigned to the committee because of their interest in the problems of the senior citizen.

And they really lobbied to get on this committee. They finally had to agree to expand the committee to 60 because there were so many Members of the House who wanted to become members of this committee. We could have had a committee of 120 but we got it down to 60.

These are people, Mr. Wasson, who are interested in these problems. What we would like to have you do is send us five recommendations that we as a committee can work on. We would greatly appreciate it if you would do that.

Mr. WASSON. I will certainly do my best, Mr. Chairman.

Mr. ROYBAL. Thank you very much. The chair recognizes Mr. Shumway.

Mr. SHUMWAY. Thank you, Mr. Chairman. Mr. Koning, I notice in your statement that you referred at least a couple of times to the need for two things, recognition as well as reimbursement for out-of-pocket expenses for volunteers. I think I understand what you mean by those things. Certainly the matter of reimbursement is obvious. But as far as some kind of recognition, do you see that as being the role of the Federal Government in this case, or perhaps those of you in the local PSA or how could we provide that kind of recognition to volunteers to give them some real incentive to continue the very valuable assistance they give us?

Mr. KONING. There are many hundreds of volunteers, as I have stated before, that can no longer be volunteers and they are very active senior citizens, the cream of the crop as far as putting out benefits for senior citizens, but they can no longer do it because

they can't afford to travel. They can't afford to take those expenses and they are minute, they are small. Can you hear me, sir?

Mr. SHUMWAY. I can hear you but I don't think the people in the back can.

Mr. KONING. The problem is that those people can no longer afford to put out-of-pocket expenses. Now whether or not this can come from the Federal Government, I don't know. I was reviewing as much as I could I had time for in the last few days since I received the Older Americans Act from your office, and I thank you for it.

I see there are provisions for paying out-of-pocket expenses, not only to members of the PSA but also people who are with the retired volunteer program. There are billions of this job in these United States that could be done by people and if they could at least afford to get out of their house to do these jobs, then they are willing to do it, they want to do it.

The main problem is that senior citizens of any age, especially the retiree, is that they want to be busy and they want to belong to a group.

Mr. SHUMWAY. If I could just interrupt you for a minute, Mr. Koning, I think I understand the need for payment for those expenses, but would you address specifically the matter of recognition?

Mr. KONING. Recognition, I don't know how we could possibly do that in the Federal Government, but the point is, a lot of people are working. They work 40 hours a week, some of them, and nobody recognizes them as doing a job.

Now I don't know how that can be done. That is not the point. I am only saying they should be recognized by the locals or by the Federals or someone. But for instance, let me put it this way. The RSVP has a recognition program every year and it is only those people who are working—volunteering—their time a few hours a week, but the people who are putting in a lot of time and a lot of expenses are never brought to those meetings to be recognized.

That is what I am bringing out and they should be recognized. Does that answer your question?

Mr. SHUMWAY. Well, it doesn't tell me how to do it but it does tell me what is wrong. I don't know either and I guess we are all groping for solutions.

Mr. KONING. Yes, thank you.

Mr. SHUMWAY. Thank you. Ms. Pataye, I appreciated your testimony. I have been in the Adin, Bieber, and Nubieber area many times and I know some of the isolation that you can feel in that area.

And particularly as you described it for senior citizens—and again your testimony doesn't suggest necessarily any solutions but it certainly raises some very thought provoking questions.

If, as you continue to meet in your advisory council, if you come across suggestions about how the Federal Government can address some of these areas, perhaps through some title of the Older Americans Act, I would be very anxious to hear further from you and work with you in that regard. Thank you very much, Mr. Chairman.

Mr. ROYBAL. I would like to thank the panel for their testimony this afternoon. The committee will take all matters under consideration and you can, when the report is written, get copies of that report from Congressman Shumway.

Mr. WASSON. Thank you, Mr. Chairman. One other question while they are changing committees that wasn't quite made clear was the bulk of the Indian people work either as agricultural workers who were not covered by the social security system or domestic, who were not covered at the time. So with us that gold check is the check.

Mr. ROYBAL. Thank you. The next panel will be made up of Betty Kresge, Lela Test, John Strange, and Russell Gripp. Would you please come forward and take your respective seats?

I am going to request that Betty Kresge begin the discussion.

STATEMENT OF BETTY KRESGE, PLANNING SERVICE AREA 2 ADVISORY COUNCIL, REDDING, CALIF.

Ms. KRESGE. Thank you, Mr. Chairman, gentlemen. I am not of Redding. I am from Adin up in the mountains, a small valley called Big Valley. The county line of Glasson [ph.] and Modoc goes through the center of our valley. I attend both councils—councils in both counties in the PSA II meetings.

I was so pleased and honored to receive Congressman Shumway's letter that our rural area could speak up, please keep in touch with us. As I collaborated with Julia Pataye on her report, I will use my time to reiterate the plea for help from the rural rural.

The main industries in our valley are logging and farming with other limited job opportunities such as the California Department of Forestry, U.S. Forest Service, schools, and other small industries.

We are in the mountains with bad winters so the logging is limited, as well as farm's winter income. Winter unemployment is great. The young have the few jobs. Julia Pataye and I could not think of any seniors at the present time employed and with inflation our senior income is limited. We are told that Green Thumb is for training, not jobs. We are in need of people for jobs such as for outreach workers, et cetera, that has been covered here so far.

We do not have public transportation either and the many other things, and we have been hearing about it. Our volunteers are overworked. I don't have an answer. Gentlemen, please help us. Thank you for coming and listening.

Mr. ROYBAL. Thank you, Ms. Kresge. The next witness is Lela Test. You may proceed in any manner that you desire.

STATEMENT OF LELA TEST, DUNSMUIR, CALIF.

Ms. TEST. I am Lela Test, president of the Dunsmuir Senior Citizens Club, representing 356 members, also a director of the Commission on Aging, Inc. I have retired four times in my lifetime, first with the State of California, second as part owner of two beauty shops in San Francisco, 19 years and 5 months with the Southern Pacific and at 65 years old I purchased a fun center for teenagers, and believe me, there was an education.

Now I am grandmother for the third grade of the elementary school in Dunsmuir. Many people between the ages of 40 to 60 are

over the hill, according to some employers. I think, like Judge Bill Dozier that was on the program earlier today, that there should be no limit on age retirement.

I am going by my own personal experience because I am in my young eighties. In the case of airline pilots, railroad engineers, bus drivers and any job concerning the safety of the public, it should require a medical examination every 6 months.

There are young people dying every day with heart attacks. We are not guaranteed that we will make it to old age. Many of the elderly are not looking for employment. If you are on social security and are employed, you are penalized. If you are not on welfare, what you earn is deducted, so there goes your incentive.

We all feel that to be needed is a reason for living. Eventually employers are going to have to resort to hiring the elderly as many of the young people cannot read or write because of a lack of basic education.

In my opinion I feel that our Congressmen should work on the national health program. So many of our people are on Medi-Cal and Medic-Aid, a burden to the taxpayers.

In reference to the so-called food giveaway program, I feel it should be managed and controlled by the seniors. I also feel that the income limitation should be raised to double the present level.

About dog food which was mentioned this morning, one of our elderly recently passed away and when we went to her apartment to pick up her things, there were six pounds of Alpo dog food and she had no dog or cat.

In conclusion charity should begin at home. Thank you.

Mr. ROYBAL. Thank you, Ms. Test. The next witness will be Mr. John Strange.

STATEMENT OF JOHN STRANGE, SUPERVISOR, SHASTA COUNTY, REDDING, CALIF.

Mr. STRANGE. Mr. Chairman, I really didn't plan on talking but since I am up here I will say a few things. I am John Strange, supervisor for Shasta County and I sit on the executive board for the PSA AAA. The thing that I am concerned about, most seniors are younger than the young people that you see walking the streets.

If you just get out here some night you can see them and we have got more energy than any young people have. We have more get-up-and-go than anybody and I would like to see them help some way—I don't know how they are going to do it—but they need something else for them to do.

And the thing that I am concerned about is, as she was talking about—Ms. Test was talking about—the commodities giveaway, many of the seniors in the new signup will be disqualified because they made just a little bit over what they were allowed.

But they are not counting for the money that they are paying for doctors and hospital bills and I am concerned about the seniors in that way. That was all that I wanted to say because most of the other stuff has already been said.

Mr. ROYBAL. Thank you very much, Mr. Strange.

Mr. STRANGE. Thank you.

Mr. ROYBAL. The next witness is Russell G. Gripp.

STATEMENT OF RUSSELL H. GRIPP, SENIOR CENTERS COUNCIL OF SHASTA COUNTY, INC., PALO CEDRO, CALIF.

Mr. GRIPP. Mr. Chairman, committee members, ladies and gentlemen. I am Russell Gripp and recently elected president of a new organization here in the Shasta County area, the Shasta Senior Centers Council of Shasta County. There are a couple of points that I would like to call to the attention of the committee today.

One of them has to do with the possibility of utilizing some portion of revenue funds in support of training and augmentation of salary—minimum salary perhaps—and expenses for seniors.

Now the other thing that I want to bring out is something that has a lot of application in our area and in other places across the country. I am speaking of places that have a seasonal type of labor activity. In our county agricultural is seasonal, the timber harvesting operation is seasonal, our recreation activity is seasonal and therefore we do experience high unemployment.

I would hope that somehow in the wisdom of those Members of Congress they might find reason or cause to dictate that certain portions of revenue-sharing funds in distressed areas—whether it happens to be in northern California or in Detroit, Mich., or Youngstown, Ohio, where they have a particularly high unemployment rate, that revenue-sharing funds be specifically directed to those areas to assist seniors.

I might also add, Mr. Chairman, that I was only yesterday advised that I had an opportunity to appear before you so I will prepare a more complete statement and send it to the committee. Thank you.

[The prepared statement of Mr. Gripp follows:]

PREPARED STATEMENT OF RUSSELL H. GRIPP, PRESIDENT,
SENIOR CENTERS COUNCIL OF SHASTA COUNCY, INC.,
PALO CEDRO, CALIF.

SUBJECT: CONGRESSIONAL HEARING - EMPLOYMENT OF "SENIOR CITIZENS".

To Whom It Concerns:

As President and Chairman of the Board of Directors of the above organization, I wish to speak about "Revenue Sharing", as applied to employment of Seniors.

Suggestions being made in the following letter of suggestions and encouragements point to a joint initial effort by Government, business and industry. A lasting and permanent solution to employment of seniors must rest on the private sector.

A copy of the enabling legislation is not in my hands at the moment, though I seem to recall that Congress indicated that governmental entities (Counties to be included) might use portions of these monies for social services. A phone call to the Shasta County Auditor's office on November 30, 1983 provided me a break out of Federal Revenue Sharing as shown below.

1981-82 Budget Data	
Received:	$1,307,470.00
Expended:	
Jail Fund	$1,107,470.00
County Hospital	200,000.00
Total	$1,307,470.00
1982-83 Budget Data	
Received:	$1,331,545.00
Expended:	
Jail Fund	$1,131,545.00
County Hospital	200,000.00
Total	$1,331,545.00

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1983-84 (Budgeted but not received)	
Estimated for receipt:	$1,400,000.00
Budgeted:	
Jail Fund	$1,200,000.00
County Hospital	200,000.00
Total	$1,400,000.00

Prior years date were not obtained.

I suspect there are those, within Shasta County, who would agree that the jail is for social needs. However, that is not the opinion of all in Shasta County, especially the Seniors. My hope is that, in the future, Congress would mandate a fixed percent which would be directed to serving the "law abiding public", including employment for some seniors or expense reimbursement of seniors devoting time and talent to assist sub-state government offices.

May I propose that Congress be specific in the ultimate allocation of future budgeted funds. That mandate should be reasonable by being related to the percentage of needy seniors in the County. Private business and industry must be encouraged to employ seniors through income tax incentives. Similar programs are in place today relative to physically hindicapped and veterans. It is imperative that business and industry become involved in the development of a visible effort.

I recently retired after more than 45 years in the work force, and that involved numerous needs to weigh economic matters. There was education and training in agricultural economics followed by employment experience. This brings me to another consideration that is important to Shasta County and any other like area across our great country. Shasta County has employment problems associated with a seasonal nature in agriculture, timber, harvest, recreation and construction. This situation tends to exclude our seniors from gaining employment. So, may i propose:

1. Areas having at least a level of 5 percent or greater unemployment, as related to state and national levels, be targeted to receive "Revenue Sharing Funds", for assisting seniors.
2. Where advancing technology and economic forces require the closing of industrial plants in long-established situations (Ohio, Michigan, etc.) -- such areas should be afforded opportunities

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to foster change and new business opportunities by joint efforts of government, business and industry.

Conversations with local residents brings out another situation of more than casual importance. I refer to the so called "part-time employee", senior or younger, who is denied the fringe benefits of medical, vacation, retirement programs. Group health and medical entitlements are being denied part-time workers, often to their economic detriment. I believe the private sector is making a conscious effort to utilize a part-time employee or employees for their monetary gain.

Seniors doing volunteer work for any or all entities (Government or private) should be eligible for reimbursement of travel expenses and one meal each day they contribute time and talent. Government might provide incentives through income tax allowances.

The committee conducting this hearing, I am sure, is aware of the wide ramifications and complexity of Senior employment, volunteer work, and society welfare. There are no EASY answeres.

Mr. ROYBAL. Thank you very much, and any other member of the panel can do likewise. If you would like to submit a written statement it will appear in the record at this particular point and that can be done any time within the next 15 days.

I find this panel very interesting. In one instance Ms. Kresge tells us she comes from outside of rural America, even more rural than the rural areas that we see here on a local basis.

Ms. Kresge, this committee has had hearings all over the country. I remember a particular hearing in Appalachia, in Nevada, where the problems of transportation were great.

How far away are you from Redding and how do you get here?

Ms. KRESGE. I come by private car. It is not my problem. It is the problem of the needy senior. We don't have any bus. There was at one time but it was——

Mr. ROYBAL. Well, I use the term you in very general terms, you meaning the senior citizen of your area. How does he get to Redding?

Ms. KRESGE. It would be volunteer people and if you have a person who is coming to a specialist—which was brought out by Rae Gloster—they have to come quite often if it is a serious illness and the volunteer help is overtaxed.

Mr. ROYBAL. You also don't have any transportation, then. You have to depend on someone bringing you to Redding.

Ms. KRESGE. We have a nutrition bus out of our nutrition site that does go to Redding and Klamath Falls but it is questionable whether we can continue it.

Mr. ROYBAL. But in the event that a senior citizen needs immediate specialized medical attention that cannot be provided in your locale, how do you get that person to Redding?

Ms. KRESGE. If it is real serious, an ambulance. We even have air ambulance out of Redding which is very good.

Mr. ROYBAL. The main point I am making is that you do not have a readily available transportation system of any kind, any bus service, any taxi service of anything that is very common, for ex-

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ample, these services are available in my district. You don't have any of those facilities.

Ms. KRESGE. No.

Mr. ROYBAL. I see a lot of similarity with the problems that this committee has found elsewhere and it is very disturbing.

Ms. KRESGE. Now this is not like Los Angeles. This goes from Alturas down here to Redding and Alturas is probably 150 miles from here. I just happen to live on the road about 40 miles from Alturas.

Mr. ROYBAL. You know, I sometimes wonder why we in Los Angeles complain because we don't have a rapid transit system. One of the most interesting parts of this panel is the fact that Ms. Lela Test tells us that she is over 80 years old and it seems that she has more energy than anyone on this panel anyway, but she did say something that caught my ear.

She said, I only hope that my Congressman would work on a national health program. May I say that two men here were Members of Congress—Mr. Shumway and Mr. Chappie—and they are members of this committee and they are working on this program.

Ms. TEST. Good.

Mr. ROYBAL. I am most fortunate to be associated with these two men. We are not in the same party but we agree on the various viewpoints with regard to the senior citizen community.

It seems to me that the work that this group has done has not really been recognized, since we talked about recognition a little while ago. This committee has had hearings all over the country. We have made positive recommendations to the Congress.

We have been able to provide funds for the elderly in various aspects that had not been done before. I happen to sit on the committee of appropriations that appropriates these funds. So we have a working team here of men and women in this large committee that works together.

And I just wanted to be sure, Ms. Test, that you and the people here are aware of the fact that Mr. Shumway and Mr. Chappie—and Mr. Shumway is the one that I have been working with because he is on my subcommittee—that they are involved in these programs and they are doing everything they possibly can to make the life of the senior citizen just a little better.

We have gone into a lot of work and you can be sure that we will continue to work in the subject matter.

Now the other thing—and I am taking a little more time than I should have—Mr. Strange, you are a supervisor, I understand.

Mr. STRANGE. Yes, sir.

Mr. ROYBAL. And you are worried about medical care for seniors. This committee, again, has found that this is one of the top subject matters that are discussed whenever this committee goes on the road.

We are doing everything we possibly can. We are going to now deal with the problem of medicare. You know that it is, or will be, in trouble in the next few years and this committee will play an active role in that.

Mr. Gripp, you made a recommendation that the reserve funds should be used for training programs to assist seniors. There are some funds being made available for that purpose but they do not come from any particular reserve fund.

From what particular reserve fund do you suggest that this be done?

Mr. GRIPP. I mentioned revenue sharing funds and for instance in this county of ours recently—we have a board of supervisors member sitting right here—to build a new jail, something like $24 million and the current budget year I think they are anticipating something like $1.4 million will be allocated to Shasta County for county use. Talking with the county auditor just yesterday I find that $1.2 million of the fund anticipated for this year would be allocated to the new jail, $200,000 to Shasta General Hospital.

In the previous 2 years the figure has been in the neighborhood of $1.3 million with $1.1 million-plus going in each case to the jail and $200,000 to the county hospital. I didn't make any effort to go further back to detail the use of those funds.

My thought was, where we have these specific areas, if some specific amount of those revenue-sharing funds could be allocated to benefit the seniors.

I might also clarify one other point. My text here will point out that my thought is, industry business and government needs to work together to solve these problems.

Mr. ROYBAL. On that, we agree. The Chair now recognizes Mr. Shumway.

Mr. SHUMWAY. I have no questions of this panel, Mr. Chairman. I would, however, like to take this opportunity to thank each of them. They have made a valuable contribution to this hearing and I appreciate your comments and testimony.

Mr. ROYBAL. I would like to thank the panel for their testimony. May I then also call the next panel.

Mr. GRIPP. Mr. Chairman, I do want you to know, though, that Shasta County does hire seniors.

Mr. ROYBAL. Thank you. May I call the following: Mr. Dan Greenwald, Bill Swigart, Jack Sterling, and Dick Austin.

Mr. Greenwald, would you please start off the discussion?

STATEMENT OF DAN GREENWALD, SHASTA COUNTY COMMISSION ON AGING, ANDERSON, CALIF.

Mr. GREENWALD. I am Dan Greenwald, chairman of the Shasta County Commission on Aging and a member of the board of directors of the Senior Centers Council of Shasta County and I wish to thank the Congressmen, the director of PSA II and the chairman for giving us the opportunity to testify.

In Shasta County there is very little in the way of employment programs for seniors in spite of the extremely high unemployment rate, as officials in this area have been lax in establishing programs for seniors. Consequently we feel that title V should be used for the employment of seniors, not just for the employment of young people.

The mandatory retirement age should be removed. There are seniors of 70 that are better able to work than some of 50 and for their mental as well as physical health and economic welfare, they should be permitted to work.

Employed seniors, especially those in the lower income brackets, should have no offset charged against their social security income.

They should be treated the same as seniors who live from their unearned income. Besides, wage earners continue to pay into the social security fund.

Employers need to be encouraged to hire seniors as part-time workers. Older citizens could be employed in a variety of public institutions, such as libraries, museums, schools and the like, as well as in private business and industry.

A program like Senior Companions needs to be established to assist other seniors—do housework, cook, buy groceries, manage personal affairs, bank, keep them company, et cetera, and on a part-time basis.

Seniors can be employed part-time in convalescent homes, rest homes and day care centers to help other less fortunate seniors by the participation and preparation and serving of food, house cleaning, laundry, record keeping, receptionist duties and counseling, for example.

Insurance premiums for employed seniors should not be based on age. Those working past the age of 65 should not be penalized by insurance companies.

Seniors should be permitted to be employed as members of dance bands for the entertainment of seniors in senior groups without being forced to join unions. In fact seniors should not be required to join any union in order to work part-time or to supplement their income.

Employment of seniors, especially in part-time jobs, would increase their ability to maintain their homes, rather than be placed in rest homes. Such an approach would be best for the seniors mentally, physically and economically, as well as for society.

Thank you.

Mr. ROYBAL. Thank you, sir. The next witness is Mr. Bill Swigart.

STATEMENT OF BILL SWIGART, AREA AGENCY ADVISORY COUNCIL, YREKA, CALIF.

Mr. SWIGART. I feel it an honor to be here today to present my testimony before these honored gentlemen, the Congressman and our PSA II manager. I would like to give my testimony.

My name is Bill Swigart. I have lived in Siskiyou County for the past 75 years. I have been a member of the Grange for 45 years and have been an executive board officer for 15 years. My background includes working for the Forest Service as well as being self-employed for 35 years. I am a charter member of the Montague Rotary Club and am currently serving as an advisory council member for the Area Agency on Aging.

The need for employment for seniors is very important, especially in rural areas such as ours. Last May Siskiyou County had an unemployment rate of 19.1 percent and 13.4 in September. Living in a county where over 65 percent of the area is U.S. Forest Service, the employment options are very limited. A depressed timber market has effected every person seeking jobs, and seniors in particular. Seniors who are facing mandatory retirement can be in real trouble. I think there should be no retirement age for a person to retire as long as he can do the job.

Mr. ROYBAL. Thank you.

Mr. SWIGART. Over 18 percent of the population in Siskiyou County is over 60 years in age. Over 10 percent of these seniors have incomes so low that they don't even reach the figures set by the Federal Government as being of poverty status. Increasingly high electrical and telephone rates leave very little left over for such luxuries as food and medical care. The Older American's Act which provides congregate and home-delivered meals for seniors is what keeps many of the seniors from starving.

Many of the seniors in Siskiyou County are retired from Federal, State, county, and city jobs. A possible solution for some seniors would be for Government agencies to employ older workers to do work in the areas of consulting, part time, seasonal, vacation, fill-in, and trouble shooting. This could save the agencies money by not having to hire full-time people and by taking advantage of years of experience and training. Seniors make excellent workers as they have grownup with the attitudes that value hard work and dependability.

The present Government-sponsored programs for seniors set income levels so low that most seniors with any retirement income are ineligible. A good example of this is the food surplus program where needy seniors are turned away due to an unrealistic income level. Also, the limitations on receiving social security benefits while working are prohibitive.

Seniors who need to work in order to survive are sympathetic to younger people who are also trying hard to make ends meet. We feel that it should be possible for all age groups to find adequate employment.

I would like to see better planning and programs by Government agencies and suggest that older people be given an opportunity to play a significant role in the decisionmaking process. We have a great deal of concern and experience to contribute.

Thank you.

Mr. ROYBAL. Thank you, Mr. Swigart. The Chair now recognizes Mr. Jack Sterling.

STATEMENT OF JACK STERLING, AREA AGENCY ADVISORY COUNCIL, BURNEY, CALIF.

Mr. STERLING. There has been so much talk that I will make mine real short. There should be no age limit on workers. Age has nothing to do with capability. Health is the most important thing. Older workers have less absenteeism from family problems, all those years of experience. They know both the old and modern ways.

They seem to get along better with coworkers, not so apt to miss work from illness. Experience means faster productivity. Some people at age 70 are in better health than others at 50.

I would say that voluntary retirement at 50 and compulsory retirement at any age when health or inability to do the job. Thank you.

Mr. ROYBAL. Thank you, sir. The next witness is Mr. Dick Austin. Please proceed.

STATEMENT OF DICK AUSTIN, EXECUTIVE BOARD, PLANNING SERVICE AREA 2, AREA AGENCY ON AGING, LEWISTON, CALIF.

Mr. AUSTIN. Thank you, Mr. Chairman, members of the committee. To start with I would like to say that I think retirement is like many many other things. It should be our decision. Nobody should say here, you are 65, you have to retire.

I think this hearing on the active older American is a really vital issue. I guess I am a good example of the active senior. I retired from Stanford Atomic Plant, September 1972. In April 1974 I became Trinity County building inspector, a job that I held through December 1978. In January 1979 I became Trinity County supervisor and in June 1982 I won my second term.

It was supposed to be a part-time job, by the way. In August 1982 I celebrated my 74th birthday. My bride and I celebrated our 55th anniversary. I am telling you this because I do not think that I would have been in such good health, nor would I have enjoyed life so much had I not been so active.

I think being active and busy is a must. We are wasting a tremendous amount of talent and expertise by putting our seniors out to pasture and many of these people need jobs. Soaring medical costs have hit the senior citizens, and inflation, very very hard, probably harder than any other group.

Now one of my duties as a supervisor is to meet each month with our Golden Age Club. Now I know how very much some of these people need help. Many of these people are living below the poverty level.

In closing I would like to thank Congressman Shumway and this committee for their efforts on our behalf and the one big problem, until after you reach 72, is the social security bureaucracy. They give you more trouble than you can shake a stick at.

Mr. ROYBAL. Thank you, Mr. Austin. The Chair now recognizes Mr. Shumway for a series of questions.

Mr. SHUMWAY. Again, Mr. Chairman, I am not going to ask any questions but I think we have heard a number of problems from these witnesses, not just pertaining to the matter of employment, but social security, for example, and we are well aware that there is a great deal of work before us to straighten out some of these problems to make the growing number of senior citizens in America more comfortable in their late years.

I appreciate the witnesses and I would just like to take this opportunity to tell them thank you.

Mr. ROYBAL. Mr. Chappie.

Mr. CHAPPIE. Well, thank you, Mr. Chairman. I would like to associate my comments with Mr. Austin in that he commented about being put out to pasture. As a senior supervisor I have that mortal fear that you do of being put out to pasture, particularly in a political job. We still have high hopes.

I, too, want to commend the committee and perhaps this would be my closing comment, Mr. Chairman, if I may, in the interests of time, to thank you for the people of my part of the county. Norm and I, as you know, share Shasta County. Of course he is going to desert me after the next election, I am told, thanks to reapportionment.

But it has really been an honor and privilege to have you in this community and to provide an opportunity and a forum to hear these expressions of concern and hopefully we can cooperate with you in finding some solutions. Thank you, Mr. Chairman.

Mr. ROYBAL. Thank you, Mr. Chappie. Ladies and gentlemen I would like to, at this time, also thank Mr. Shumway and Mr. Chappie.

I thank them, first of all Mr. Shumway, for insisting that I come to this very nice section of the State of California and hear the testimony that we did today.

I want to again reiterate the one point that I am very proud to have the opportunity to work with these two distinguished men who are doing an excellent job. They represent an area of very wonderful people. I want to thank each and every one of you for the hospitality that you have extended to me.

As I said this morning, I was made immediately welcome by the people that I met coming into this hall. They didn't know who I was, but as I introduced myself there wasn't a single one who didn't say I was welcome and I greatly appreciate that.

I would also like to thank the various individuals who played a role in making this hearing possible. We are just about ready to adjourn. I would like to thank Mr. Howard Riddle, Susan Davenport and Gloria MacMurray for organizing the logistics of the hearing.

Without this kind of organization it wouldn't be possible for us to hold hearings like this.

I would also like to thank the Redding City Council for allowing us to use the chambers here. I served in the city council of the city of Los Angeles for a number of years and during the time that I was there, I don't remember one particular time when we made available the council chambers to a congressional committee.

I understand that that has changed, but the fact that this was made available to a congressional committee shows the real hospitality that we find in Redding.

I would also like to thank Laing Sibbet, Debbie McClung, Herbert Miles—Ms. McClung and Mr. Miles are members of the Shasta Senior Nutrition Program. They are the ones that arranged the luncheon for us and, incidentally, it was a very good luncheon. Those of you who did not take part, you missed something. The hospitality was most excellent, and we were able to exchange opinions with people who weren't able to come here.

Two or three of them talked to me for just a little while to tell me, these are the things that we think should be done. We can't be at your hearing but would you remember these things. One of the men gave me a prepared statement that will appear in the record.

I bring that to your attention because of the great area of interest that we have. Individuals that couldn't possibly be here, they know that this hearing is going on. They know that the Members of Congress are interested and they are anxious to get their particular viewpoint in the record.

I can assure you, ladies and gentlemen, that this committee, while it is not a legislative committee, it is a fact-finding committee that is a very active committee, one of the most active in the House and I can assure you that in that activity it takes into con-

sideration the testimony that has been given to us and together we will come up with some solution.

It is quite true that you can't solve all the problems, but darn it, we can try, and that is what we are going to do.

May I thank you again for your hospitality and thank you, members of the panel. We will not be asking any questions but if you have any further suggestions that you would like to make in writing, the record will be open for an additional 15 days.

Any member of the audience who may want to submit testimony in writing, you have 15 days for that testimony to be submitted to Mr. Shumway's office and he will make it available to the committee. It will appear in the record.

We have public witnesses who will be heard briefly, I understand, if they are here. I was told that perhaps they had already left, but we will find out after I recognize Mr Shumway again.

Mr. SHUMWAY. Thank you. I would just like to tell the audience one or two things about Congressman Roybal's appearance here. It is true we had a hearing somewhat like this, not on the same subject but nevertheless dealing with matters of the elderly in Los Angeles on Monday of this week in his district in the eastern part of that city and because of that he wanted to come here and participate in this hearing today.

He has, however, a critical illness in his family, so much so that he is going to have to return to Los Angeles tonight. In spite of that fact he was willing to share in this hearing with us here and I am very grateful to him and very appreciable of his leadership in his chairing this hearing today.

We have had a good exchange of views here during the several hours we have met today and I think it is obvious to any one of you who may have been through the entire program, that we have developed a lot of problems and we don't necessarily have the answers to those problems.

I guess no one has the wisdom to see through all the difficulties that we face and know exactly how to cope with them. But it is through this kind of process, which I think is really the grassroots of the entire political system that we are so proud of in America that we can talk freely with one another and search together for solutions to these problems.

And I can assure all of you that those things that have been said today and comments that have been exchanged have certainly registered with me and I am sure that other members of the committee, as they peruse the record of this hearing and read the summaries that we make of it in the future, will likewise gain more insight and more ability, we hope, to solve the problems that we have talked about.

So I would just like to commend every one of you, certainly the witnesses and those of you in the audience as well who came just to participate by listening, because you really have made the American system work and you played a very key role in the democratic process that I and you, as Americans, are so proud of.

So Congressman Ed, everyone thanks you very much.

Mr. ROYBAL. Thank you. Again, I thank the panel for your presentation. Is Helen Hoag present?

[No response.]

Mr. ROYBAL. Paul Clark?
[No response.]
Mr. ROYBAL. Donna O'Dell?
[No response.]
Mr. ROYBAL. If not their testimony will be included in the record at this point if they will submit that testimony in writing.
There being no further business, the committee now adjourns.
[Whereupon, at 2:55 p.m. the hearing was adjourned.]

APPENDIX

PREPARED STATEMENT OF EBERHARDT RECHTIN, PRESIDENT AND CHIEF EXECUTIVE OFFICER, THE AEROSPACE CORP., EL SEGUNDO, CALIF.

Mr. Chairman and members of the Committee, thank you for the opportunity to again submit testimony to the Committee. The following is substantially the same as my 28 October 1981 testimony before the Committee, updated where appropriate.

Our company is a California nonprofit corporation, a Federally Funded Research and Development Center (FFRDC), engaged in engineering for national security programs. The total staff is about 4,300 people, more than half of whom are degreed scientists and engineers. We do no manufacturing. Our product is general systems engineering and integration, largely for the U.S. Air Force, and concerned primarily with the satellites and the launch vehicles this country uses for defense purposes. Our primary responsibility is the certification of readiness for launch of these vehicles and spacecraft. To accomplish that purpose we engage in research, conceptual design, technical support to national security agencies, technical monitoring of the major associate contractors who build the vehicles and satellites, and anlysis of the flight results.

These facts about Aerospace have a direct bearing on how we manage our only real asset—the people of Aerospace. It is the knowledge, experience, imagination, initiative, wisdom and enthusiasm of all of us at Aerospace that each year convinces our customers to continue to rely upon us. High on the customers' list of capabilities for which they pay Aerospace is "corporate memory," the cumulative experience of many hundreds of experts over more than twenty years and over 600 satellite launches and operations. It is the longsuit of our most experienced people, those over about 50, who began in this space business 20 to 25 years ago.

It should be no surprise that we have innovative personnel policies and are known in the industry as a "people-oriented company." To do our job well we must be people-oriented. In addition to policies affecting the older part of our work force, which I will address in more detail in a minute, we have compensation generally competitive with industry, exceptional Affirmative Action programs, company-sponsored eductional programs, first-of-a-kind transportation programs and celebrations of Heritage Weeks—all aimed at making Aerospace attractive to the people who are our most important asset.

Turning now to the older members of our work force: in 1977 we did away with a de facto mandatory retirement age. I say de facto because, although there was no formal requirement that employees leave at 65, there were policies, practices and incentives built into our employment culture that resulted in employees customarily retiring at age 65 or sooner. We now have a variety of options which are presented at regular and popular retirement planning discussion sessions. We hire at any age and pension benefits vest in part after four years and completely at seven years. Pension benefits are credited as long as the employee is with us. Retirees can receive their benefits and work as casuals on a reduced work-week as well. Retirees and their spouses are also covered by our health insurance plan—a major financial benefit to them.

As a result, some 2 percent of our entire regular work force is now made up of people who might otherwise have left the Company under previous policies and practices. We anticipate the percentage will increase for demographic reasons. More importantly, the older worker-retirees have contributed engineering achievements that far exceeded in value to the company the cost of their salaries. They have "corporate memory" in spades!

Due to the ups and downs in the aerospace industry during the past two decades, and exacerbated by the anti-technology wave between about 1967 and 1977, there are strange anomalies in the distribution of the work force available to the aerospace industry. There are people available from ages 25 to 30, a reduced availability between 30 and 40 and then normal numbers from 40 to 50. Worse yet, national

projections indicate a serious gap between the supply and demand of graduating engineers in the late 1980's. To deal with this projection, Aerospace intends to further develop employment policies which will more fully utilize the experience and knowledge of our older workers.

Another characteristic of our company, generated by the kind of work we do, is the ability to look at tough problems with a kind of emotional detachment. We call it "objectivity," but it is almost a culture with us. So, we have few hesitations in accepting some of the following premises:

Retirement is "not having to work." Retirement does not necessarily mean withdrawing from the work force.

Retirement comes to everyone and it is best for both the individual and the company to plan ahead.

The idea that a career consists of a steadily increasing work load, responsibility load, and compensation, followed by an abrupt termination is illogical. After all, why should someone have a career ended at its peak? A more rational pattern would recognize that the "peak" should be rounded off. This rounding off is probably different for every individual and every job. What are needed are options mutually acceptable to employee and the company.

There seems to be good reason not to keep top managers in the same position too long. Management needs refreshing, especially in these times of accelerating changes in both technological and sociological environments. So, we make a practice of reviewing the careers of managers in our company who have been doing the same job for 10 or more years and considering changes in responsibility or position to improve productivity. This practice is independent of age.

We need to recognize that "rounding off the peak" of a career is biologically, psychologically, and financially sound. One of the better ways of accommodating this rounding off of the peak is by part-time work and consulting. But present practices and laws do not serve as an incentive for such productive work. Social Security benefits are decreased if the individual has earnings. Pension benefits in most plans are not paid if the individual works part time. However, Aerospace has now revised its Retirement Plan so that retirees may work up to 1,000 hours per year and still receive their pension checks.

Forty retired employees have now returned to work under the terms of this policy. Government workers and military people, when retired, are penalized for working elsewhere in the government ("double dipping"). In short, many employers have been treating retirement as an abrupt stop to an increasingly compensated career. I believe we could retain years of productive effort if we—the Government, the industry and the individuals made better provisions for "rounding off the peak."

Thank you again for your invitation. Our company was honored by it. We shall be pleased to respond to any questions you may have.

SHINGLETOWN, CALIF., *January 24, 1984.*

Congressman NORMAN D. SHUMWAY,
Select Committee on Aging, Longworth House Office Building, Washington, D.C.

CONGRESSMAN SHUMWAY: Thank you for inviting me to submit a written statement regarding employment of older people.

I have been greatly concerned by the number of younger people getting jobs created by the Older Americans Act when so many older people need these jobs and when the Act provides that the jobs be given to qualified people aged 60 or older.

A copy of that provision is attached for your use, with pertinent sections outlined in red.

I believe one of the reasons for this non-compliance with the provision is outright discrimination against age in employment by hiring agencies.

Even the California Department of Aging in Sacramento was investigated for promoting and raising the salaries of younger workers in the organization while older workers were bypassed.

The Senior Communities Service Employment Agency in northern California has been headed by a woman who is obviously not 60 years of age.

In Sonoma County, the directorship of the Area Agency on Aging was given to a man in his mid thirties, while qualified older candidates had applied.

With one exception, the rest of the personnel hired for that agency were young, as well.

Older applicants may be discouraged from applying for some jobs under the Act because they are unfamiliar with terminology or titles used in job descriptions.

"Contracts monitoring" and "grants and proposal writing" may be more familiar to young college students who have received training in the disciplines. Therefore,

since older people are competing with these young people, and providing they are otherwise qualified, they should be offered instruction in the subjects to give them a fair chance at the jobs.

Affirmative action, even assiduous affirmative action, should be used in advertising jobs under the Act.

As an example, "Older persons are encouraged to apply for this position. An informational meeting will be held on (date time).

In the informational session, training could be scheduled for, again, otherwise qualified people 60 years of age or older. It was done successfully in CETA for another special group.

Advertisements for jobs under the Act should be placed in areas which older people frequent, such as multipurpose senior centers, nutrition centers, welfare offices, subsidized housing areas, etc., so that they are readily noticed.

Older persons suffering age discrimination should be shown how to bring the matter before an adjudicating body for remedial action. Often, they do not know the process.

Thank you once more for allowing me the expression of my concerns.

MARIAN P. MORGAN.

Clifford H. Raber
Vice President
Government Relations

Direct Dial Number
312/887-3832

November 23, 1983

The Honorable Norman Shumway
11899 Edgewood Road Suite B
Auburn, CA 95603

Attention: Courtney Turner

Dear Congressman Shumway:

Enclosed is a group of articles on some of the older workers who are employed at McDonald's restaurants. These appeared in our internal house organ.

We are proud of the part time and full time opportunities that are available at McDonald's restaurants for older workers. They contribute a great deal to our system, and we in return believe that we have made their existence more meaningful and productive.

I am sorry that we could not respond to your request to appear at your hearings, but hope that these articles are useful to you.

Sincerely,

Clifford H. Raber

ls

Enc.

Alice Barnes—

"I will always give my very best."

Alice Barnes from McDonald's in Battle Creek, Michigan, has entered a new profession with more than the usual enthusiasm, and this 74-year young lady is already considered a celebrity in her 'golden years' by friends, relatives, and customers. All this attention stems from a letter that Alice wrote to her local newspaper, "The Enquirer and News," to let everyone know just how much she enjoys her new-found career and how glad she is that she and McDonald's have found each other.

Dear Sirs:

Some time ago, I read an article about McDonald's hiring retirees and thought you might be interested in knowing about my working for them in Battle Creek.

I was a public school secretary before retiring 14 years ago. I am now 74 years old. While drawing unemployment compensation, I applied at many offices and other business places for part-time employment with no success. The day before my last unemployment check was due, I stopped at the Urbandale McDonald's and left my application. I never believed they would call me because some of their employees seemed to be a little younger, attending school and working part-time.

Alice Barnes from McDonald's in Battle Creek, Michigan.

Just a few days later, I was called to come in for an interview and was hired as a hostess. My duties are to take care of the lobby area—keep the tables and the entire area clean, and most important, to keep the customers happy. I have been working since the end of August and love it!

After having worked so many years at Level Park School and Northwestern Junior High School, I am acquainted with a great many people who live in the Urbandale and Level Park area. They come in often and some of the former students bring their small children in also. It is like a family reunion!

The people at McDonald's are wonderful to work with. I am old enough to be their mother, or even grandmother, and they treat me as loving as though I were.

I recently observed my birthday and, when I arrived at the store, the large front window was covered with a huge sign reading, Happy Birthday, Alice. I was given a large sheet cake with Ronald McDonald and a handmade birthday card signed by all the employees. It was such a thrill!

I want to express my thanks and appreciation to Owners Mr. and Mrs. Martin J. Marsell and all of the employees for giving me this opportunity to be of service again at any age.

I will always give my very best in return.

Alice D. Barnes

Congratulations to Alice and the Marsell's, and the whole team from McDonald's of Battle Creek for truly caring about and sharing the "McDonald's experience" on both sides of the counter.

Sharing the "McDonald's experience"

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French fry queen

Lola White

The Loves Park, Illinois McDonald's salutes their French Fry Queen, Lola White, who celebrated her 78th birthday this year. The Crew agrees she's too fast to be called a Senior Crewmember. Lola has been lovingly crowned the official "French Fry Queen" of McDonald's because she can turn out crisp golden fries faster than any other 78-year-old Fry Queen around. In 1980 the Crew gave Lola a crown made from fry boxes and filled with golden (artificial) fries. This year Lola was given a golden French fry necklace for a precious lady worth her weight in guld to her fellow Crew.

Lola has worked for McDonald's approximately eight years, seldom missing a day. She keeps her station sparkling clean and serves her customers only top quality fries everyday. She's lovable and helpful and always willing to join in the fun. On Halloween she's the store's favorite and best dressed character and at Christmas she's the peppiest elf. Both customers and the Crew are spoiled by Lola's loyalty and willingness to brighten their day.

In tribute to Lola it should be stated that being over 40 doesn't mean a thing. Part of her secret for staying so young is keeping her mind and body busy, always learning and doing. Lola is one French Fry Queen Crewmember who makes every day count for something special!

Happy Birthday, Lola, from *Crews Views* and the Loves Park Crew and Management! May you have many more filled with happiness.

Seventy-eight year old Lola White from McDonald's of Loves Park, Ill. can turn out crisp tasty fries mighty fast.

Both customers and Crew are spoiled by Lola's loyalty and willingness to brighten their day.

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Morris and wife Minni have a lot to smile about.

Goodwill Ambassador for 13 years

Crewmember Morris Liebling from McDonald's on Bethany Road in Phoenix, Arizona knows full well the meaning of bu ding friendships. This was evidenced as Manager Barb Neagle and the entire Crew helped Morris celebrate his 80th birthday with a very special party.

Said Barbara, "Morris is one of the friendliest and steadiest workers I have ever had. All the customers and Crew love him. He's our McDonald's goodwill ambassador."

The store was decorated in Morris' honor. Family, friends, Crew, and special customers were invited. Fifteen hundred trayliner calendars were printed inviting customers to come and celebrate his birthday, and more than 400 pieces of cake were served.

Morris was born in Austria in 1902 and moved to the United States in 1931. Upon retiring, he moved to Phoenix and began working for McDonald's 13 years ago.

"Meeting new customers," said Morris, "and all the different activities at McDonald's makes my job very enjoyable. Everyone here is really special!"

IN THE NEWS

McDonald's honors "Mr. T."

McOpCo McDonald's on 124 Prince Avenue, Athens, Georgia honored 80-year-young grillman Arthur Thornton for his 11 years of service and dedication to McDonald's.

"Mr. T," as he is affectionately known, was presented with a silver award cup by Operations Manager Mike Harden at the recent 20th birthday celebration of the Prince Avenue store. Arthur began working at McDonald's after retiring from his job at the University of Georgia campus located near the store.

The crew and management of Prince Avenue are proud to have Arthur on their team.

Operations Manager Mike Harden (L) congratulates Arthur for a job well done

CREW POWER

Nine years of excellence

One of the most youthful employees at McDonald's of Willmar, Minnesota is getting ready to celebrate his ninth anniversary and continues to display an enthusiastic attitude towards his job.

The Willmar community in return continues to be enthusiastic about Minneapolis Region's oldest employee, Hans P. Hanson, or as he is affectionately known, "Grandpa Hans." Grandpa Hans is 82 years young, and this past summer, he was honored by a parade float designed in honor of his 82nd birthday.

"Grandpa" serves as host for the Willmar store as well as minding his own favorite project, the store's landscaping. In 1980, the store was recognized with McDonald's Landscaping and Decor Award.

With Christmas approaching, Grandpa's favorite in-store activity was putting up the traditional fireplace mantel in the store and presenting his many year 'round junior customers with special gifts.

According to Store Manager, Kevin Cook, "Grandpa works about 35-40 hours a week, and even though he is 82, he is as spirited and proud of his McDonald's as anyone in the store.

Glen Cook, McOpCo Operations Manager, adds that Grandpa Hans "has made significant contributions to the volume of the store which has continued to increase from year to year.

"He has helped show the city of Willmar what type of company McDonald's really is, and for that, his friends in the Minneapolis Region and McDonald's everywhere salute him!"

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From Boeuf Bourguignon to Big Mac Sandwiches

Hal Schaper once created mouthwatering masterpieces for the super rich, whether lobster or the finest cuts of beef. Millionaires sought his elegant recipes for private parties aboard their luxurious yachts. Now Hal has moved his talents to McDonald's in Kansas City, Missouri.

At the age of 74, Hal has enjoyed a career in the culinary arts that has taken him from chef to the wealthy William K. Vanderbilt family in the 1930's to baker and instructor of other chefs in New York City after World War II. It wasn't until he retired and moved to Kansas City that his association with the Fast Food industry took form.

Following two years of retirement, Hal sought relief from a life of inactivity and applied for work at a McDonald's in Kansas City which was still under construction. From the time the store opened more than six years ago, Hal has been welcoming customers and fellow employees with his warmth and wit delivered with a charming, slightly German accent that brings customers back time and time again.

Hal Schaper traded in his elite chef's hat for bow tie and sweater as McDonald's Maitre d' in Kansas City, Missouri.

Donning a formal black bow tie and McDonald's sweater, Hal greets literally thousands of impressed customers. One customer in particular, Gerry Anderson, so caught Hal's eye that he fell head over heels for, proposed to, was accepted by and became married to in June of last year. The couple now exchanges recipes in their apartment which just happens to overlook McDonald's!

Says Hal, he's glad to be back with the elite crowd!

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Crew member celebrates 81st year

McDonald's, 420 Des Plaines Avenue, Forest Park, Illinois, recently helped crew member Harold Sennatt celebrate his 81st birthday. Co-workers joined together to present him with a party.

Customers, as well as fellow crew, say he brightens their day with his good spirits. He has been working for ten years at McDonald's and plans to be around a long time to come.

According to owner David Goodman, "It's great having him at the store. He is an outstanding employee who is always thinking of ideas to help improve QSC."

Owner David Goodman (R) helps Harold Sennatt celebrate his 81st birthday.

The first nine

When 71-year-old superstar Crewmember Gilda Ravai joined the Braintree, Massachusetts McDonald's team, she never dreamed she'd be considered the best fry person in town. But just ask anyone in the store including Owner Jerry Motenke and they'll tell you she operates non-stop, day after day. "She's one special lady!"

Gilda's enthusiastic attitude and ongoing smile are two of several qualities that have contributed to a neverending stream of McDonald's accomplishments. Honored as Crewperson of the Month in her store, she has the ability to make a tense situation calm with her cheerful personality and this has earned her the respect of her owner, managers, Crew and customers. And she's

been doing all this for nine years!

Gilda is proud to be a part of McDonald's and the feeling is mutual. Congratulations, Gilda, for nine great years!

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From Golden Arches to Golden Age

Can you have fun when you retire? You might want to ask McOpCo McDonald's Route 1, Rahway, New Jersey because they have an example of someone who answers that question. Their example is Philip Milton. He has just retired for the second time at the young age of 87 after more than 20 years with McDonald's.

A luncheon was held in Philip's honor for his outstanding service to McDonald's. More than 60 people attended the event including Vic Young, Operations Manager and Larry Scott, Director of Operations, Bloomfield Region. Other dignitaries present were the Governor of New Jersey, Thomas Kean and Rahway Mayor Daniel Martin.

Philip came to McDonald's after he retired from the Wagner Pie Company at age 65, having worked for them for almost 30 years. After a year of retirement, he felt he needed to do more and be with people. So he applied at McDonald's and began his second career, becoming an outstanding employee who was recently chosen as Employee of the Month.

Commenting on his second career, Philip said, "I will miss the people at McDonald's and I will remember this day with fond memories. I am thankful to McDonald's for giving me the opportunity to do what I enjoy: working and being with people. People are my love, my life, they are what make me keep going. Thanks McDonald's!"

The admiration Philip feels for McDonald's is shared equally by the crew and management of McDonald's in Rahway.

Philip Milton (left) accepts congratulations from (R) New Jersey Governor Thomas Kean.

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